SENATE—*Thursday, April 30, 1992*

(Legislative day of Thursday, March 26, 1992)

The Senate met at 1 p.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

The prayer will be led today by guest chaplain, the Reverend Donal M. Squires, national chaplain of the American Legion, from Fairmont, WV.

Mr. Squires.

PRAYER

The guest chaplain, the Reverend Donal M. Squires, national chaplain, the American Legion, Fairmont, WV, offered the following prayer.

O God, we acknowledge our dependence upon Thee, and once again seek Thy guidance in our decisionmaking process. May we be mindful that the choices we make will have an effect upon someone in this great Nation of ours; therefore, we seek Thy direction that our decisions will be the correct ones.

We pray for each other and for all those with whom we associate this day. Continue to bless this great Nation with leaders possessing wisdom and strength of character. And may we always be mindful of our veterans and the sacrifices which they have made throughout the years. God bless America and the Members and staff of this distinguished body. Amen.

RECOGNITION OF THE REPUBLICAN LEADER

The PRESIDENT pro tempore. The Republican leader is recognized.

Mr. DOLE. Mr. President, parliamentary inquiry. Has leader time been reserved?

The PRESIDENT pro tempore. Leader time has been reserved.

RESOLUTION ON CONDITIONING UNITED STATES RECOGNITION OF SERBIA

Mr. DOLE. Mr. President, events in Bosnia-Herzegovina are an instant replay; the scenes broadcast from that newly independent state are virtually identical to scenes we have seen from Croatia over the last 10 months, only the names of the people killed and the places destroyed are different. In Croatia, the cities targeted were Dubrovnik and Osijek; in Bosnia-Herzegovina, they are Mostar and Sarajevo. In Croatia, churches were destroyed, in Bosnia, mosques are being destroyed.

Mr. President, events in Bosnia-Herzegovina have made absolutely clear what some of us have known since Slovenia was attacked in June—the aggressor is Serbia, whose ruler, Slobodan Milosevic is a tyrant out of control, and whose murderous rampage needs to be put to an end.

Two weeks ago, the New York Times ran an editorial entitled "Stop the Butcher of the Balkans." I ask unanimous consent that this editorial be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Apr. 15, 1992]

STOP THE BUTCHER OF THE BALKANS

Slobodan Milosevic, strongman of Serbia and wrecker of Yugoslavia, may not be as ruthless and reckless as Saddam Hussein. But his aggression against the newly independent republic of Bosnia and Herzegovina has become just as blatant—and just as urgently requires a stern response. Unless the international community acts against him now, thousands may die.

The U.S. and European powers can do much to stop the slaughter: Refuse to recognize Serbia's claims as heir to Yugoslavia, tighten their economic embargo on Serbia and make clear that Serbs face years of international isolation if they allow Mr. Milosevic to remain on the rampage.

Even conscientious outsiders have grown confused and weary by the ceaseless, complex civil warfare. But there's nothing confusing or complex about how much of it arises from the Serbian nationalism whipped up by Mr. Milosevic, Europe's last Communist tyrant.

When the Iron Curtain came down, he rejected a confederation that could have held Yugoslavia together. He resorted to force in a vain attempt to keep Slovenia and Croatia from breaking away. And now, ironically, the blue-helmeted United Nations peacekeepers protecting Croatia free his forces to attack elsewhere.

Now he has wheeled and lashed out mercilessly at Muslim-majority towns in Bosnia. From the hillsides, Serb irregulars, backed by the Serb-led remnants of the Yugolsav Army, indiscriminately blast round after round into Bosnia's defenseless communities.

The multi-ethnic character of those communities is evident in their skylines. The minarets of Muslim mosques and spires of Eastern Orthodox and Roman Catholic churches stand side by side. Bosnia's people—44 percent Muslims, 31 percent Serbs and 17 percent Croats—live side by side. Now, by the tens of thousands, they are fleeing the artillery barrages side by side.

In contrast to Mr. Milosevic's divisiveness, Bosnia's freely elected leaders formed an ethnic coalition to try to hold Yugoslavia together. They broadcast news free of the bilious nationalism that poisons the airwaves of neighboring Serbia. They moved to break free of a Serbian-run Yugoslavia only after Slovenia and Croatia declared independence.

Stymied in Croatia and watching rampant inflation and stagnation sap his popularity, Mr. Milosevic has aroused Serbia to yet another dubious cause—defending Bosnia's Serb minority against a supposed militant Muslim onslaught.

At home in Serbia, an increasingly vocal opposition resists Mr. Milosevic and his bloody policies. They need the firm backing of the international community. Once again, the world has been slow to react. The U.N. is just now dispatching more blue helmets to Bosnia. The U.S. and the European Community have yet to send a strong enough message to Mr. Milosevic: Get out.

Mr. DOLE. Mr. President, the list of Milosevic's victims grows daily—Muslims, Croatians, Albanians, Slovenians, Hungarians, and even Serbs who have the courage to stand up against his warring tactics.

Two days ago, Serbia and its ally Montenegro, proclaimed a new Yugoslavia. Well, in my view, the United States and the international community should not grant this new Yugoslavia diplomatic recognition until it ceases its aggressive activities and repressive policies.

That is why I sponsored a resolution yesterday—that cleared both sides and passed last night—that calls for the United States to withhold diplomatic recognition until Serbia withdraws its forces from Bosnia-Herzegovina and Croatia and until it ceases its brutal repression of the Albanian people and allows them to have a say in their future.

Mr. President, I am pleased that I was joined in offering this resolution by the distinguished chairman of the Foreign Relations Committee, Senator PELL, and the distinguished ranking member on the Foreign Relations Committee, Senator HELMS, as well as the following distinguished Senators: Senator D'AMATO, Senator PRESSLER, Senator GORE, Senator GORTON, Senator MCCAIN, Senator BREAUX, Senator GARN, Senator SEYMOUR, Senator MACK, Senator DIXON, and Senator JOHNSTON.

At this very moment, the cease-fires in Bosnia and Croatia are being violated; Serbian forces are occupying significant portions of Bosnian and Croatian territory; and Serbian forces are stealing humanitarian aid sent to Bosnia by the United States and other countries to help the tens of thousands of people who have fled their homes in fear of the broadening Serbian offensive. Meanwhile, there are reports that Serbia is sending a growing number of forces into Kosova, in what appears to be a prelude to even greater brutality against the 2 million Albanians who have lived under the crushing weight of martial law for 3 years.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

I think, and the cosponsors of this resolution think, that it is essential that the United States send a message to Serbia, and to Milosevic, that Serbia will be treated as a pariah as long as it behaves in a criminal manner. Secretary Baker has clearly communicated that Serbia's respect or lack of respect for the territorial integrity of the former Yugoslav Republics and for human rights will be the key factor in determining whether or not the United States will recognize Serbia and Montenegro.

This is the right policy to pursue—it puts the United States on the side of freedom, democracy, and peace. I hope that the administration will stick to this course and encourage our allies to do the same. Moreover, if Milosevic does not soon respond, other measures to isolate Serbia will have to be considered.

Mr. President, Serbia's aggression has gone on long enough; we have watched as thousands of innocent civilians have been uprooted from their homes, wounded, and killed. The United States must take a firm stand. This resolution signals such a stand.

This was a bipartisan resolution, I was joined by the distinguished chairman of the Foreign Relations Committee, Senator PELL, and I think about an equal number of Republicans and Democrats. I thank my colleagues for their prompt action on this resolution.

Mr. President, I yield the remainder of my leader time to the Senator from Pennsylvania [Mr. SPECTER].

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER (Mr. SIMON). The Senator from Pennsylvania has 7 minutes, 46 seconds.

THE LOS ANGELES POLICE BRUTALITY CASE

Mr. SPECTER. Mr. President, I urge the Federal Government to act promptly in the wake of the acquittals last night in the Los Angeles police brutality case. Justice must be done in that specific case to give public assurance that there will be appropriate action taken by the Federal Government.

Notwithstanding last night's verdict of acquittal, a criminal prosecution may be brought under the Federal Civil Rights Act without any issue at all of double jeopardy. Beyond that, the Congress ought to be taking a close look, as a matter of oversight, as to what happened in the Los Angeles case with the view to broadening and strengthening the criminal process under the Federal Civil Rights Act.

In hearing the accounts of the jurors as published by the news media today, I believe that the verdict was unjustifiable. The jurors seek to explain their ruling by claiming that when the victim came out of the car, had he responded as the other two occupants, there would not have been any injuries. However, the standards on police brutality, reasonable force, and excessive force depends upon what happens at each stage of the proceeding.

During my tenure as district attorney of Philadelphia in the late sixties and early seventies, my office brought numerous prosecutions for police brutality and police misconduct. The law states emphatically that only reasonable force may be used to restrain a prospective defendant. The standard for reasonable force has to be judged at every step of the proceeding. So that when an individual is on the ground, subdued, and no longer a threat, there is absolutely no legal justification for repeated pummeling of that individual.

The laws of double jeopardy do not apply when there has been an acquittal under State law. There still may be a prosecution under the criminal provisions of the Federal Civil Rights Act. It has long been my view that there should be review of the adequacy of those provisions. The efficacy of those provisions came sharply into focus in Philadelphia on May 13, 1985, when the police released an incendiary device and a fire engulfed an entire block, burning down a house where a MOVE resistance group was located, and killing 11 people, including 5 children.

When local authorities failed and refused to act on that clear-cut case of excessive governmental force, I called upon Attorney General Edwin Meese in 1985, by letter and personally to act. Again, in 1990, before the statute of limitations expired, I called upon the Attorney General and the Assistant Attorney General in charge of the Civil Rights Division, Mr. Dunn, to move ahead with that kind of a prosecution. For a variety of technical reasons, no prosecution was brought at that time. The incident has led this Senator to conclude that it may be necessary to broaden and to strengthen the Civil Rights Act and the Federal prosecutions thereunder.

In the late sixties when I was district attorney of Philadelphia, there were major problems of excessive police force in many cities in the United States, Philadelphia was no exception. That kind of conduct is obviously not to be tolerated and must be brought into the criminal courts.

It is my hope that action will be taken promptly by the U.S. Department of Justice to initiate criminal prosecution under the United States Civil Rights Act because that may be done without regard to double jeopardy, notwithstanding the acquittal last night.

Beyond the prosecution under the Civil Rights Act, I believe that in the Congress we ought to review that case as a matter of oversight of the judicial system, and take another close look at the Civil Rights Act with the possible view to broadening and strengthening the criminal prosecution procedures.

I thank our leader, Senator DOLE, for relinquishing that time to me.

I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. For what purpose does the Senator from Vermont rise?

Mr. LEAHY. Mr. President, I rise to ask the Senator from Oklahoma if he would yield me some time.

SENATE ELECTION ETHICS ACT—CONFERENCE REPORT

The PRESIDING OFFICER. The Senate will now resume consideration of the conference report on S. 3, which the clerk will report.

The legislative clerk read as follows:

Conference report to accompany S. 3, a bill to amend the Federal Election Campaign Act of 1971, to provide for a voluntary system of spending limits for Senate election campaigns, and for other purposes.

The Senate resumed consideration of the conference report.

The PRESIDING OFFICER. The time between now and 3 p.m. is to be divided and under the control of Senator BOREN and Senator MCCONNELL, each having 55 minutes.

Mr. BOREN. Mr. President, I ask unanimous consent that I might lodge a unanimous-consent request on behalf of the leadership, not related to this matter, and the time not to count against either side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. BOREN. I ask unanimous consent that following disposition of the conference report accompanying S. 3, the Senate Election Ethics Act, there be a period of morning business with Senators permitted to speak therein for up to 5 minutes each; that during the period for morning business, the majority leader or his designee control up to 1 hour; with Senator CHAFEE recognized for up to 90 minutes; that Senators FORD, KENNEDY, and GRAMM of Texas be recognized for up to 10 minutes each; Senators PRYOR and INOUYE for up to 15 minutes each; and Senators BRADLEY and GORE be recognized for up to 20 minutes each.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

SENATE ELECTION ETHICS ACT—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. BOREN. Mr. President, it has come to my attention that there is some uncertainty with regard to one portion of the joint explanatory statement of the committee of conference, and I wish to clarify that for the Sen-

ate. Section 102 of the bill places aggregate limits on contributions from political action committees for Senate races, and section 122 contains similar provisions for House contests. These limitations are in addition to the existing limitations on the amount that a single PAC can give to a candidate during an election cycle, as modified in the bill. The conference report discusses the new limitation and the reason for it, but I am afraid that we may have succeeded more in achieving brevity than completeness.

The report refers to the problem that individual PAC limits alone still "result in a number of PAC's with the same interest playing too large a role in funding a congressional campaign." This somewhat cryptic reference was to the well-known problem of PAC proliferation; that is, a group of, say, automobile dealers or real estate brokers dividing themselves into multiple PAC's so that each PAC is able to give the maximum to selected candidates, thereby multiplying the leverage of a particular interest group and doing an end-run on individual PAC limitations.

Obviously, individuals can't do the same thing, although gifts from minor children are something close to it, and we have taken steps to prevent that kind of proliferation as well. Thus, what sections 102 and 122 do is try to stop proliferation by setting outer limits on the amount that a candidate may receive in any election cycle from all PAC's. While the conferees recognized that the fit between the problem and the solution was not perfect, they did not believe that they could responsibly ignore the problem, which has been increasing, and any other method of attacking PAC proliferation would create an enforcement nightmare or simply lead to new ways of evading any limits that we might impose.

This is a very important provision, and it is essential that everyone understand what we were trying to do and why we chose this method of doing it.

Mr. President, I yield 8 minutes from my time on the pending conference report to the distinguished Senator from Vermont [Mr. LEAHY].

VERDICT IN THE RODNEY KING CASE

Mr. LEAHY. Mr. President, first let me say this, before I get to the subject at hand: As an American, as a Vermonter, as a lawyer, and as a U.S. Senator, I know I am bound by the verdict in the Rodney King beating case. I accept that as part of our jurisprudence and court system. But as a human being, I am appalled by this outrageous, obscene verdict which does not appear to comport with the facts, or to be supported by them.

I cannot understand how the jury reached the verdict it did. I spent 8½ years in law enforcement as a prosecutor, as a chief law enforcement officer of my jurisdiction. I cannot imagine anybody accepting the conduct that was brought forward in this trial.

As one who has prosecuted many, many cases and defended many cases in trials, I cannot see how any jury, unless swayed by some motivation of bias, or unbelievable ignorance of the facts, could have reached the decision it did. As Americans, we are bound by the jury verdict and by our system of criminal jurisprudence. I would not change that system. For all its faults and occasional mistakes, it is still the best.

Nonviolent protest is also part of our system, and for the sake of those who have already suffered so much, I urge that whatever protests are mounted be nonviolent.

Mr. President, I wanted to register that, as one human being, I cannot accept what we saw in the Rodney King beating, and I am appalled by the outcome of that case.

SENATE ELECTION ETHICS ACT—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. LEAHY. Mr. President, we know there is a wide gap between the rhetoric in Washington and the reality of this place.

The rhetoric always sounds great. We will balance the budget by passing a constitutional amendment. We will end crime by tripling the number of crimes punishable by the death penalty. We will reform political campaigns by getting rid of the special interest groups.

Today we get a chance to actually act instead of talking. The campaign finance reform bill before us would be the first major overhaul of our election laws since I came to the Senate in 1975.

We need this bill. It is a modest, useful first step. It sets minimum standards which candidates can and ought to live by: Total spending is capped; PAC contributions are cut in half; the pernicious practice of bundling is halted; and candidates are required to raise small donations from their home States.

The bill also contains incentives to candidates who comply, including broadcast rates being lowered, and some public financing is contained in the bill.

If you listen to President Bush, however, and his loyal lieutenants who are here in the Senate, you would think this bill is a disaster.

President Bush has singled out the public financing components of the bill—this despite the fact that by the time this Presidential campaign is over, President Bush will have accepted over $200 million in the same kind of public financing which he says is so terrible.

I think the real problem that appears to my friends on the other side is that they feel this bill will limit campaign spending. The concept is so threatening to the national Republican Party that it has fueled years of filibusters and veto threats.

It is no wonder. We saw that happened two nights ago; they raised $10 million in one dinner.

Since I came to the Senate, I have believed that those of us who pass laws should live by their terms. Fourteen years ago, I introduced legislation to do just that, to apply the laws that we pass in Congress to the Congress. I intend to live by the terms of this campaign finance reform bill, whether it is vetoed or not. If we pass it out of here, I will live by the bill. For me, this is the first step—it is not the last—in doing my part to clean up the way the campaign system works.

I grew up in a one-party State, where no Democrat had been elected Governor for more than a century. One Democrat had been elected to the U.S. House of Representatives, but he only served one term before he was taken out. In fact, no Democrat had ever served our State in the U.S. Senate at the time I ran. We were the only State in the Union that never elected a Democrat. I grew up in a family of Democrats. I wanted to be a U.S. Senator. It was an impossible quest and even members of my family felt my ambition exceeded my grasp of reality. They felt a little sorry for me. I am glad my parents saw me sworn into the U.S. Senate.

We had a time in Vermont where the Republican primary was the general election. We were outnumbered in both houses of the general assembly by better than 5 to 1, and outspent by far more than that.

The Republicans kept a State office open 52 weeks a year. We sort of opened up one in the last 3 weeks of each election. Vermonters often did not even know who the Democratic candidate for Senator or Representative or Governor was until they got into the polling booth. That is when they would see the name for the first time on the ballot. It did not matter an awful lot at that point.

The spending that went into maintaining a one-party State was not disclosed in those days, and the way most of the newspapers were controlled, they did not want to look into where the money came from.

But times change. After more than a century, Democrats in Vermont are almost at a parity with Republicans, and for the first time in our State's history it is not just the Democrats calling for election reforms. Some Republicans, to their credit, are right there beside them, because parity has almost been achieved in the Vermont General Assembly.

I find myself in agreement with the Democrats and Republicans in Vermont in asking for this campaign fi-

nance reform, even though the Republicans Party in Washington is not getting the message.

So I am proud Congress is about to pass the first comprehensive campaign spending reform bill since 1974. It is a bill I support. But, unfortunately, it is a bill that is going to be vetoed as soon as the President gets ahold of it.

It is not a perfect bill, but it is a start. I remember very vividly from my own experiences in 1986 just how easily our present campaign laws can be corrupted. When in-kind contributions from the National Republican Senatorial Committee were illegally used to provide my opponent with services and free polling information, my campaign filed a complaint with the FEC. But it took 3 years for the FEC to adjudicate the case, and then to fine the National Republican Senatorial Committee $5,000 for breaking the rules. Our case was not unique.

Other campaigns also received contributions over the limits. In my case, it did not make any difference because the race was not even close. It is not of much solace to a candidate who does lose a close election.

In 1986 the National Republican Senatorial Committee raised over $80 million. The Democratic Senate Campaign Committee raised $13 million. The NRSC committed funds to Vermont and other States both openly and clandestinely, and it took the FEC years to rule on the violations which included accepting and failing to properly report in-kind contributions on excess of the legal limits.

In 1986, the costs of the Vermont Senate election—including the hidden costs that were later found in violation of the law—topped $3 million—far too much for a small State like ours.

I reported every single dime I received—and every single dime I spent in my reelection campaign. I have followed the same practice this year and hope others will do the same. Whether the contribution is $1 or $1,000, the name and address of that contributor is reported in my FEC filing. Every dime of it. I do not know of any other candidate who has followed this practice, but if he or she has—I compliment them for making full disclosure.

In the spirit of open and full disclosure, pledging fully to continue this practice which I must also note has resulted in my recording the greatest number of individual contributions from Vermonters of any candidate who has ever run for office in Vermont—I am also announcing today my intention to voluntarily abide by the law that we approve today—whether the President signs it or not.

As one of the first Senators to voluntarily end the practice of accepting honoraria—before any passage of a pay raise or other incentive—I now prepare to accept the campaign limits contained in this legislation.

Within a few days, I will outline the details of this plan.

Senate campaigns should be about issues—about our vision of the future. This is how I intend to run my campaign again this year.

The limits set by the campaign reform bill mean I can raise for a Vermont Senate election are already too high—$1.58 million—and I will spend far less than that.

I will put my case for reelection squarely before the Vermonters who have known me all my life. They know where I stand and they know I keep my word.

Mr. President, I thank the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 54 minutes.

Mr. MCCONNELL. I yield 6 minutes to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. I thank our colleague.

Mr. President, I rise today to address a matter which is of utmost importance to our system of Government. We have before the Senate today a conference report which purports to deal with the issue of campaign finance reform. It does nothing, however, to resolve a major flaw in the system regarding the use and reporting of union funds used for political purposes.

Last May, while the Senate was considering this legislation I offered a simple and straightforward amendment which was rejected largely along party lines. Curiously and significantly, the one of two Democratic Senators to support my amendment was the distinguished Senator from Oklahoma [Mr. BOREN] who advocated for this bill and is a principal advocate for campaign finance change.

I start with the basic premise that no person should be required to support, or forced to give money to, political causes and activities to which that person is opposed. As Thomas Jefferson stated in 1779.

> To compel a man to furnish contributions of money for the propagation of opinions which he disbelieves and abhors, is sinful and tyrannical.

My amendment attempted to deal with just one small aspect of the enormous problem of union sewer money being spent for political purposes. That aspect involved the right of American workers who pay union dues or so-called agency shop fees to be informed about the extent to which their unions are spending those dues and fees for political purposes, causes, or activities.

This amendment was basic and limited; it did not restrict or dictate how unions could spend this dues money, it simply required disclosure.

Millions of workers, who may now be in the dark about how their hard-earned money is being spent in the political process, have the right to this basic information. They should not have to beg for it. Nor should they have to hire an army of lawyers and resort to litigation to obtain it. There is no conceivable reason why it should not be freely provided.

Mr. President, this is a very, very important issue. I remember back in 1982 when I was the No. 1 target of the Democratic National Committee and of the national trade union leadership, I presume because I led the fight against labor law reform in 1978. I can remember raising $4.3 million to run that race. My opponent had $2.3 million up front when he had to disclose. Long after that race; we became very good friends, during the race. Afterwards, long afterwards, he came up to me and said, "Orrin, I really did not lack any money in that race." Now translation.

These unions' soft money or sewer moneys are used for voter registration, get out the vote, door-to-door activities, graphics and signs, telephone banks, driving people to the polls, almost everything I had to pay for and disclose fully. None of that was disclosed.

I was beaten up by some in the media for outspending him almost 2 to 1 on what we reported. But there is a real question whether he did not outspend me by quite a bit more because of these moneys he did not have to report that basically were dues-paid moneys that 90 percent of which, or thereabouts, go to liberal Democrats and the other 10 percent go to independent and liberal Republicans.

Mr. President, I have to tell you that that is the scummiest approach toward campaign finance that I have seen in all of my time here on this Earth. The fact of the matter is that neither should be able to use sewer moneys like this.

I have seen the Republicans beaten up this week because they raised a considerable number of millions of dollars, $9 million to be exact, in a dinner this week. That is a drop in the bucket compared to what the unions are spending without anybody ever knowing you are spending one single nickel.

I have to tell you there is a very decided advantage to those who are arguing campaign reform here today on the other side and that advantage is this: $200 to $300 million every year that is going for no other reason, dues money of everybody, 30 percent of them Republicans, going to their party, and to the liberal people in their party primarily. It is wrong. It should not happen. It should not be.

I simply cannot believe that the union leaderships in this country have a legitimate interest in keeping secret what political causes and activities employee dues are being spent to support.

Frankly, I was astounded that my amendment was rejected. Why would

unions have an interest in keeping this information a secret from those employees it represents? After all, if employees are better informed of the political candidates, causes, and activities they are supporting through their dues and fees, the union leadership might enjoy an even greater confidence level in its decisionmaking.

We constantly hear about the decline of the union movement in this country which, not surprisingly, is always blamed on someone else. Perhaps some of those in the union movement should take a careful look at the openness of their own internal processes as a means of retarding this decline.

Even assuming that employees might not like what they see, is that any reason they shouldn't see it?

I must admit that I was frankly shocked to hear the argument made against this amendment that its disclosure requirements would "place an enormous, onerous burden" on unions. After the numerous paperwork burdens that this Congress has freely imposed not only on small businesses in this country, but also on all taxpaying citizens, how could any Member of this body object to ensuring that workers are informed about how their money is being spent on the most fundamental of all American activities, the political process.

How could this be overly burdensome? I doubt that anyone would suggest that unions, even at the local level, do not keep these records anyway. They must, for how else can any organization that represents employees be effective and accountable if it doesn't even know how the dues and fees collected from employees it represents are expended?

This just doesn't sound right to me. I cannot believe that labor organizations—advocates for the rights of working men and women—do not keep track of how they are spending the money collected from those they represent or that they think that simple disclosure to their memberships is overly burdensome.

This modest step, Mr. President, to bring commonsense reform to our campaign laws, as I have previously noted, was rejected last year.

Nevertheless, I am pleased to take note of the fact that recent actions by President Bush have moved this country an important step forward in protecting workers' rights.

As part of a continuing effort to reform the political process, the President several weeks ago undertook significant steps to protect workers' rights recognized by the Supreme Court in Communications Workers versus Beck, a landmark decision authored by Justice William Brennan.

This opinion sought to protect workers from being compelled, against their will, to pay fees to unions for activities outside of the collective bargaining process. Specifically, the Court held that a union may not spend an objecting employee's agency fees to fund political candidates or causes.

As a recent editorial in the Wall Street Journal stated quite rightly, "the Supreme Court's message (in Beck) was that Americans who belong to unions are entitled to form their own opinions about the political life in this country, rather than have the unions do their thinking for them."

Many have recognized the difficulties workers have faced in exercising the Beck rights even after the Supreme Court's decision in 1988. First and foremost, many employees are not aware of their rights. Further, as I argued with regard to the amendment I offered last year, many employees have been kept in the dark with respect to how their fees are being spent.

Steps recently undertaken by President Bush included an Executive order that ensured that employees of Federal contractors are made aware of their rights under the Beck decision.

Once again, I cite with amazement the fact that at least one major labor organization criticized this Executive order as "unnecessary and intrusive." A union leader objecting to accountability to his own membership? It is simply incredible.

The Wall Street Journal editorial, to which I earlier referred, described the dimensions of this issue as follows:

> Since many unions spend 75 percent or more of their dues income on political or other nonbargaining activities, the 15 million Americans under union contracts may soon have the right to withhold most of the $350 a year they average in dues.

By my calculations, we are talking about over $5 billion collected annually from working men and women in the form of union dues, a large portion of which goes to activities unrelated to collective bargaining.

Of course, there are some who dispute this figure. Some say it is higher in many cases. And, not unexpectedly, some claim that it is much lower. It is unfortunate that those who argue it is lower could not have persuaded my Senate colleagues to support the disclosure amendment I offered last year which may have resolved this question once and for all.

The relevant inquiry in connection with our consideration of campaign finance reform is simply this: Where on earth does all of this money go?

The figures are quite astounding. It is estimated that in 1988, unions gave $35.5 million to political candidates. But these numbers hardly tell the whole story. Beyond this $35.5 million, the unions in this country plowed an estimated $200 million more into the political process in such in-kind help as free printing and voter registration drives. And you wonder why Democrats have controlled the House of Representatives for 67 of the last 60 years?

The true size of this problem, of course, is difficult if not impossible to calculate, largely because of lax reporting and disclosure requirements. That is why these funds are called union sewer moneys.

Unlike PAC contributions, this soft money does not go directly to candidates in the form of cash contributions. Instead, the money we are talking about pays for indirect benefits for political parties and campaigns.

This money is spent in two ways. Some of it is contributed directly to political parties by the unions. These are known as external contributions. Because this money is undisclosed and unregulated, many reformers would like to see this type of soft money banned. I understand that the conference report does address the external spending issue.

As bad as external spending is, Mr. President, the other type of union spending, called internal spending, is much worse. First, the amount of the internal spending greatly overshadows the external spending amounts. The National Right to Work Committee estimates that the total value of internal union soft money is $300 million per election cycle.

Internal union spending is focused on three areas. First, a union can spend its treasury funds to pay the overhead cost of operating its political action committee. This, of course, frees up PAC dollars for direct contribution to candidates. There is no limit on this subsidization, and no disclosure.

Second, internal union sewer money is spent on communications to union members and their families. In these, the unions can expressly advocate the election or defeat of candidates for Federal offices. While this type of spending is technically subject to disclosure rules, gaping loopholes allow many union communications to report nothing to the Federal Election Commission.

The third type of internal union sewer money allowed is that spent for supposedly nonpartisan voter education, registration, and turnout programs targeting union members and their families. Unfortunately, many expenditures of this type are not bipartisan, and examples of favoritism to one party abound.

Mr. President, all of this union soft money—or sewer money—creates a twofold problem. First, the huge amounts of undisclosed money being spent to influence Federal elections should alarm every American. This must be a part of any campaign for real reform of campaign finances. Second, the manner in which union sewer money is collected, through the coercion of union—and in some cases nonunion—members, tramples the first amendment rights of every individual who is forced to contribute.

As everyone in this Chamber recognizes, virtually all of this money and

assistance goes to one party—the Democratic Party.

Figures indicate that while union members divide roughly into 30 percent Republican and 40 percent Democrat, unions consistently and overwhelmingly support and contribute to Democratic candidates and liberal issues. During 1988, union money went to Democrats over Republicans by a ratio of 10 to 1.

The Wall Street Journal editorial I have cited, closed by accurately describing the impact of the Beck decision and the President's recent actions as follows:

Enforcing the Beck decision doesn't mean that unions will no longer have an active voice in politics. It simply requires them to better separate their political activities from more traditional functions, something that is long overdue. Forcing workers to spend part of their paychecks on causes that violate their beliefs is a crude form of coercion. * * * It is in the long-term interest of both unions and workers that such practices not remain a part of a legitimate union movement.

I commend the President for his efforts, but more needs to be done. Real campaign finance reform must address and limit this union sewer money.

Mr. President, in closing I ask unanimous consent that a copy of the Wall Street Journal editorial to which I have referred, be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Mar. 24, 1992]

CHOICE FOR WORKERS

President Bush has finally acted to implement the Supreme Court's landmark 1988 Beck decision, which held that workers can be required by their unions to pay dues only if the money is spent on such job-related services as collective bargaining. The Supreme Court's message was that Americans who belong to unions are entitled to form their own opinions about the political life of their country; rather than have the union do their thinking for them. Since many unions spend 75% or more of their dues income on political or other non-bargaining activities, the 15 million Americans under union contracts may soon have the right to withhold most of the $350 a year they average in dues.

In his speech last week attacking Congress's failure to pass his economic program, Mr. Bush said "no American should be compelled to give money to a candidate against his or her will" and promised that he would issue regulations to ensure that it doesn't happen.

Codifying the Beck decision involves far more than saving some union members money. Forcing people to contribute portions of their earnings to political causes they oppose violates their First Amendment rights. Or so thought Supreme Court Justice William Brennan. In his Beck opinion, Justice Brennan cited Thomas Jefferson's view that forcing people to finance opinions they disagreed with was "sinful and tyrannical."

The stakes involved in Beck are huge. A special master in the Beck case found that only 21% of the dues collected by the Communications Workers of America went for bargaining-related activities. This meant that Harry Beck, the former Maryland union shop steward who spent 13 years fighting his case in the courts, was entitled to get 79% of his dues money back, plus interest. Other refunds could be larger. A Michigan judge found a National Education Association affiliate spent 90% of its dues money on non-bargaining activities.

Where does all the extra money go? Much of it is plowed into political causes. In 1988, unions gave $35.5 million to political candidates and about $200 million more in such in-kind help as free printing and voter-registration drives. Almost all of this money flowed to liberal Democrats, even though some 40% of union members voted for George Bush in 1988.

Informing workers of their Beck rights could have dramatic results. Currently, some 2.5 million Americans working in union shops have already chosen not to join their union and instead pay only "agency" fees. If just half of them decided not to pay that portion of their fees being used for non-bargaining purposes, labor's political funds would fall by hundreds of millions of dollars.

That explains why unions have vigorously opposed letting workers be informed of their Beck rights. Unions have also blocked efforts to force changes in their accounting procedures so workers can easily learn how much of their dues money goes to politics. Grover Norquist, an activist who has crusaded for implementation of Beck, says that up to now, some Bush administration officials have been intimidated into not enforcing the Supreme Court's ruling, which is now the law of the land.

All this has now changed. President Bush may start implementing Beck by first requiring that all employees of government contractors be informed of their legal rights. He may also press the National Labor Relations Board into expediting hearings into the 250 Beck-related cases pending before it.

Enforcing the Beck decision doesn't mean that unions will no longer have an active voice in politics. It simply requires them to better separate their political activities from more traditional functions, something that is long overdue. Forcing workers to spend part of their paychecks on causes that violate their beliefs is a crude form of coercion (practiced, we might add, at the corporate level by heavy-handed executive collections for Pacs). It is in the long-term interests of both unions and workers that such practices not remain a part of a legitimate union movement.

Mr. HATCH. One last word. This bill does absolutely nothing about this decided loophole advantage to Democrats, not a thing. They are yelling and screaming all the time about Republicans raising money, soft money. I tell you 70 percent of business money goes to Democrats, and almost 100 percent of the union money.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Oklahoma is recognized.

Mr. BOREN. I yield 8 minutes to the Senator from Kentucky, the chairman of the Rules Committee.

The PRESIDING OFFICER. The Senator from Kentucky is recognized for 8 minutes.

Mr. FORD. I thank our colleague.

Mr. President, it is always dangerous on this floor when old arguments are repeated. If old misleading arguments are not rebutted, there is a danger they will be believed. If old truthful arguments are not repeated, there is a danger they will be forgotten. Therefore, I would like to briefly rebut a few old arguments which have been repeated in the last few days and repeat a few which have not.

It has been suggested on the other side of the aisle that this conference report is unconstitutional. Our bill resembles the Presidential system, which has been held constitutional. But on the other side of the aisle, they say our so-called contingent public financing makes it unconstitutional. Mr. President, I ask unanimous consent to print in the RECORD a nonpartisan opinion obtained last year from the Congressional Research Service which says the contingent public financing in this bill is constitutional.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL RESEARCH SERVICE,
Washington, DC, May 17, 1991.

To: Senate Committee on Rules and Administration. Attention: Thomas E. Zoeller, Counsel.

From: American Law Division.

Subject: Constitutionality of a Provision in S. 3 (102d Cong.) That A Candidate Complying With Spending Limits, Whose Opponent Does Not Comply, Shall Receive Additional Public Financing in the Amount of the Excess Expenditure.

This memorandum responds to your request for a discussion of the constitutionality of a provision in S. 3, the "Senate Election Ethics Act of 1991," 102d Cong., 1st Sess., that a candidate complying with spending limits, whose opponent does not comply, shall receive additional public financing in the amount of the excess expenditure.

In the 1976 landmark case of *Buckley* v. *Valeo*,[1] the Supreme Court held that spending limitations violate the First Amendment because they impose direct, substantial restraints on the quantity of political speech. The Court found that expenditure limitations fail to serve any substantial government interest in stemming the reality of corruption or the appearance thereof and that they heavily burden political expression.[2] As a result of *Buckley*, spending limits may only be imposed if they are voluntary.

It appears that the provision in question would pass constitutional muster for the same reasons that the public financing scheme for presidential elections was found to be constitutional in *Buckley*. The Court in *Buckley* concluded that presidential public financing was within the constitutional powers of Congress to reform the electoral process and that public financing provisions did not violate any First Amendment rights by abridging, restricting, or censoring speech, expression, and association, but rather encouraged public discussion and participation in the electoral process.[3] Indeed, the Court succinctly stated:

"Congress may engage in public financing of election campaigns and may condition acceptance of public funds on an agreement by the candidate to abide by specified expendi-

[1] 424 U.S. 1 (1976).
[2] *Id.* at 39.
[3] *Id.* at 90-93.

ture limitations. Just as a candidate may voluntarily limit the size of the contributions he chooses to accept, he may decide to forgo private fundraising and accept public funding."[4]

Because the subject provision does not *require* a candidate to comply with spending limits, the proposal appears to be voluntary. Even though compensation paid to a complying candidate, in the amount of excess expenditures made by a non-complying candidate, serves as an incentive to limit spending, it does not jeopardize the voluntary nature of the limitation. That is, a candidate could legally choose not to comply with the limitation by opting not to accept public financing. Therefore, it appears that the proposal would be found to be constitutional under *Buckley*.

L. PAIGE WHITAKER,
Legislative Attorney.

Mr. FORD. Mr. President, we have also heard the argument that spending on political campaigns has gone down. Mr. President, as the saying goes, there are "lies, damn lies, and statistics." Every one knows that spending per voter keeps going up. In fact, with the number of large States having Senate races this year, spending is certain to shoot up dramatically this year. I do not hear anyone predicting a decrease.

There is an obvious reason why aggregate spending has leveled off in the last cycle. Fewer and fewer people care to run for Congress. Mr. President, our current system is an incumbency protection system. Our current system scares off challengers. Look at the facts. In 1980, there were 2,288 candidates for House and Senate seats. In 1982, this fell to 2,240. In 1984, this fell to 2,036. In 1986, this fell to 1,873. In 1988, there was another drop in candidates, to 1,792. And in 1990, there were only 1,759 total candidates for Congress.

The number has declined each election cycle. Over the 10-year period, this is a 23-percent reduction in the number of people who even care to run for office. Americans are being given fewer and fewer choices under the current system.

Now, I believe redistricting and the current series of retirements will make this number somewhat higher in 1992. But the long-term trend is clear. Our current system scares away qualified candidates. The money chase limits the choices for voters.

The only way to rectify this is by leveling the playing field for challengers. Under our current system, it is a rare occasion when challengers have the ability to compete with incumbents in fundraising. In 1990, challengers were able to outspend incumbents in only 2 Senate races out of 28. Under our current system, incumbents outspend challengers by a 3-to-1 ratio. Challengers rarely have a fair chance to compete.

But what do the incumbents on the other side of the aisle say? They say spending limits protect incumbents by restricting the ability of challengers to mount effective campaigns. Mr. President, the fact is that the current system restricts the ability of challengers to mount effective campaigns. Incumbents on the other side of the aisle say it is not in and of itself significant that incumbents outspend challengers. Incumbents on the other side of the aisle say "of course we do." Incumbents on the other side of the aisle say there is no need for a limit because spending beyond a certain point for an incumbent does not make any difference. It is hard to believe that we have actually heard these arguments in the last few days on this floor.

Mr. President, challengers on the other side of the aisle do not say these things. They do not agree with these misleading statements. Thirty-three Republican challengers on the other side of the aisle have written the President and asked him to sign this bill. That is what Republican challengers say.

Mr. President, the current system protects incumbents. The conference report levels the playing field. The arguments we have heard from Republican incumbents simply do not hold water.

But Mr. President, there is something behind these misleading arguments we are hearing. There is something more than what we are hearing. Several weeks ago, another Member from the other side of the aisle made a very revealing comment. It surprised me at the time, Mr. President, but I believe at least it was honest. A Member from the other side of the aisle told me some of his Republican colleagues might have a little paranoia, but that they have identified something called the troika.

Many colleagues on the other side of the aisle apparently believe that this troika will hurt their party more than ours. The troika has three legs. The first leg is this bill, campaign finance reform. The second leg is the motor-voter bill. And Mr. President, the third leg is the Hatch Act reform. I believe this analysis is flawed in many respects, Mr. President. But it is very revealing. Partisan opposition to this bill, the motor-voter bill, and the Hatch Act is virtually assured because of the perceived political impact.

Which leads us to a larger issue. Campaign finance reform in some ways is a good example of why we reach a stalemate so often around here. It is a good example of why Americans are so frustrated with the ability of this Congress to address important issues.

Mr. President, yesterday it was also stated on the other side of the aisle that a Bluegrass poll conducted in my State found that about 60 percent of the people in the poll opposed public financing. Of course many people oppose public financing. They would rather see us pass a law which simply imposes spending limits on political campaigns. I wish it were that simple. But, Mr. President, section 902 of this bill provides for budget neutrality. It provides that this bill will not become effective until it is funded, and that it should not be funded through general revenue increases, reduced expenditures, or an increase in the budget deficit. So we share the same opinion as those who were mentioned in that Bluegrass poll. In that same poll, an astonishing 88 percent of Kentuckians favor spending limits.

Mr. President, let me refer to another Bluegrass poll conducted in my State. It was discussed a few months ago on this floor—85 percent of the people in my State in that poll believed campaign spending should be limited. It is overwhelming. Since we are so concerned with the polls, Mr. President, I am pleased that this legislation does exactly what the majority of my constituents want.

That poll also said that 86 percent believe the large amounts of money it takes to run a political campaign are a source of corruption in government—86 percent. The Bluegrass poll also said that 76 percent of my constituents believe the large amounts of money necessary for major elections in my State keeps the best qualified people from running from office. I am pleased that this legislation will do what my constituents want by reducing the large amounts of money necessary to run a campaign. The writing is on the wall.

Mr. President, I ask unanimous consent that an article describing this poll be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. FORD. Mr. President, the issue is not a simple one. It cannot be explained in less than 30 seconds. But it can be distorted in a phrase. We can call it "food stamps for politicians." Or we can try to find a way to give our constituents the limits on spending they want. We can try to reduce the influence of big money that they feel corrupts the system. I am pleased that the campaign finance reform legislation before us responds to the overwhelming wishes of my constituents in Kentucky. I am proud to support legislation which is so strongly supported in my State. I hope other Senators will reach a similar conclusion about their constituents.

Mr. President, I yield the floor.

EXHIBIT 1

[From the Courier-Journal, Mar. 3, 1991]

ELECTION SPENDING LIMITS SUPPORTED

(By Ira Simmons)

As candidates for governor and other statewide offices continue to raise millions for their campaigns, a large majority of Kentucky voters would like to see campaign spending limited, according to the latest Bluegrass State poll.

[4] *Id.* at 57, fn. 65.

Wide majorities also think that the large amounts of money required to run a campaign are a major source of political corruption in the state and that high campaign costs keep the best candidates from running for office.

Framing these issues seems to be a general pessimism about government. Asked about the level of ethics and honesty in Kentucky politics, nearly three times as many people said it dropped during the past decade as said it improved.

The poll, conducted Feb. 6-13 by The Courier-Journal, surveyed 605 adult Kentuckians, including 626 who said they were registered to vote.

"It's really clear that the big dollars in elections have gotten people's attention," said Robert F. Sexton, chairman of the Kentucky Center for Public issues, a non-profit research institution in Lexington. "They are obviously highly frustrated and cynical about the results."

Among registered voters, the poll found that about three in five think the large amount of money needed to run the campaigns is a major cause of corruption in Kentucky politics.

About the same number said large contributors who are seeking influence in government after an election also are a major cause of corruption.

And three in four voters said they think high campaign costs keep the best candidates from seeking public office.

An overwhelming number of Kentucky voters—85 percent—believe that campaign spending should be limited. But they also oppose the public financing of elections as a solution.

Those who said they wanted limits were asked if they supported or opposed giving candidates some tax money if the candidates agreed to limit their spending. The courts have ruled that such limits can't be forced, but states have used public funding to encourage voluntary compliance. Of those asked about the public financing, 51 percent were opposed, 36 percent supported it, and the remainder had no opinion or gave other answers.

"People tend to be very suspicious about public financing," said Richard Morin, director of polling for The Washington Post. "It smacks of Big Brotherism."

Sexton added that people also object to having their tax money support political views they may disagree with.

But state Sen. Michael R. Moloney said, "By the end of this governor's race, with the amounts of money being raised and spent, I believe the people of Kentucky will be willing to say 'stop.' In 1992, they will support campaign-financing laws."

Moloney, D-Lexington, said spending increases with each election. "The figure this year will approach $25 million, and that is criminal," he said.

Moloney has proposed partial public financing, limits on non-bid state contracts and limits on party contributions used to skirt contributions to individual candidates.

Along with the concern about money and politics, the poll found widespread pessimism about government.

Among all adults polled, almost half said they thought local elected officials cared more about making things better for a few special interests than for the majority of the people.

Asked about the level of ethics and honesty in Kentucky politics, only 11 percent said the level had improved in the past 10 years; 47 percent said it had stayed the same; and 30 percent said it had fallen.

On all questions, the percentages were similar for Democrats and Republicans.

Kentuckians' views may not be as pessimistic as the nation's.

In an ABC News/Washington Post national poll in September, 61 percent said the chief elected officials in their areas cared more about special interests than the majority of the people—compared with 49 percent in the Bluegrass poll, which asked a similar question.

But Morin said the overall findings about attitudes toward government in the state poll were roughly consistent with national findings.

Generally, he said, people have "a profoundly cynical view of government." This has been a long-term polling trend, even though trust in government improved significantly during the 1980s. Trust was high during the 1950s and 1960s, he said, but declined sharply from the mid-1970s to the early 1980s, a period bracketed by the Watergate scandal and the Iranian hostage crisis.

The poll found that blacks were more likely to feel local officials were looking out for special interests—78 percent, contrasted with 47 percent for whites.

In the economic breakdown, those with total household incomes of less than $15,000 annually were more likely to feel officials were most concerned with special interests than were people in higher-income households.

The poll's margin of error means that, in theory, in 19 of 20 cases the poll results would differ by no more than 3.5 percentage points from the results that would have been obtained by questioning all Kentucky adults with telephones. The margin for the 626 registered voters is 3.9 points.

Q. Do you think the large amounts of money it takes to run a political campaign are a major cause of corruption, a minor cause, or not a cause of corruption in Kentucky politics and government?

Major cause of corruption, 62%.
Minor cause of corruption, 24%.
Not a cause of corruption, 4%.
No opinion, 10%.

Q. Do you agree or disagree that large amounts of money necessary for major statewide election campaigns in Kentucky have kept the best qualified people from running for office?

Agree, 76%.
Disagree, 14%.
No opinion, 10%.

Q. Would you say the local elected officials where you live care more about making things better for the majority of the people there, or care more about serving a few special interests?

Care more for majority of people, 35%.
Care more for special interests, 49%.
No opinion, 16%.

The PRESIDING OFFICER. The junior Senator from Kentucky is recognized.

Mr. McCONNELL. I yield 5 minutes to the distinguished Senator from South Dakota.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 5 minutes.

Mr. PRESSLER. Mr. President, I am very much in favor of campaign reform. But this legislation is a tragedy—a partisan bill in a partisan year. It is what is wrong with Washington. It is why Congress is not respected.

We all know that this bill has been written by members of the majority party to favor them. For example, it does not eliminate political action committees [PAC's]. The conference report in fact will encourage the development of and proliferation of labor union PAC's. It does not eliminate "sewer money" spent by labor unions, though it does for the political parties. Most unsettling is this legislation's heavy reliance on taxpayer dollars to fund campaigns. The American people cannot afford the tax dollars this legislation proposes to spend on congressional campaigns.

I hope the President vetoes this legislation, as he has indicated he will. I shall support the President on that veto.

This is quite a different bill than the one the Senate passed last year. It is a travesty that an attempt will be made to use this legislation as an example of campaign reform when in fact it is not. I think the American people will see through it.

The bill the Senate passed last May eliminated PAC's entirely. The conference report does not. The conference report does not eliminate "soft money" or "sewer money" spent by labor unions.

It will put our Nation deeper in debt by causing the taxpayers to subsidize political campaigns to the tune of $250 million per election. It also taxes broadcasters about $50 million per election by requiring price discounts for politicians to run their commercials.

The conference committee cut and pasted together two separate sets of campaign rules, one for the Senate and one for the House. Furthermore, the conference committee throws wide open the doors to public financing of congressional campaigns. Estimates place the cost of public financing and broadcaster subsidization at nearly $1 billion over a 6-year Senate election cycle. In this time of record Federal deficits, I cannot support that type of spending.

Moreover, the conference report supports campaign spending limits, which principally favor incumbents.

Because of the different campaign rules of the Senate and the House, costly public financing and spending limits, S. 3 will be vetoed by the President. There are not enough votes to override the President's veto.

I am committed to responsible campaign reform, but this legislation is not true campaign reform. I cannot support the conference report. I continue to support real campaign reform.

Congress will visit this issue again. When it does, I hope we can write legislation that has a real chance to become law and brings true reform to campaigns for the U.S. Senate and House of Representatives. In my book that includes eliminating PAC's and eliminating sewer money, not only for political parties, but also for labor unions.

Mr. President, I have several questions I would like to submit to my col-

league from Kentucky in the form of a colloquy. Perhaps we can do that at this point. Proponents of the conference report state this legislation is a start toward controlling the influence of political action committees. Is that an accurate reading of this legislation.

Mr. MCCONNELL. I say to my friend from South Dakota, absolutely not. If anything, PAC's are going to have more important Senate legislation. To the extent this legislation allows private funding at all, that portion will be completely dominated by PAC's, on the House side continuing with the $5,000 per election; on the Senate side, as my friend pointed out in his statement earlier, we had in the Senate version adopted the position previously advocated by myself and subsequently most Republicans of eliminating PAC's altogether. They are back in the conference report. Now it is $2,500 allowable in the Senate. Clearly, PAC's will be a bigger factor under this conference report than they are at the present time.

Mr. PRESSLER. Those in favor of the conference report hail the spending limits it contains. Are these spending limits subject to any loopholes?

Mr. MCCONNELL. Massive loopholes. The first loophole referred to by Senator HATCH earlier, and yourself, does absolutely nothing about nonparty soft money, the real sewer money in the system, labor union spending, tax exempt organization spending and the rest. In addition to that, written into the conference report there is a major loophole for what is called compliance costs in House races. This will be a massive loophole through which you could drive a truckload of lawyers and CPA's. So these are spending limits that clearly will not work.

Mr. PRESSLER. Last May I voted for S. 3, which was called the Senate Ethics Election Act of 1991. Proponents of the conference report claim this is the same legislation the Senate passed last year. Is that a fair reading of the legislation we will vote on today?

Mr. MCCONNELL. This is a very different piece of legislation. The most significant way in which it varies from the bill you voted for last summer is that it does not in any way abolish PAC's. In fact, it strengthens PAC's.

Mr. PRESSLER. Finally, does this bill go far enough in stopping the use and abuse of "soft money," commonly known as "sewer money?"

Mr. MCCONNELL. Absolutely not. This bill seeks to restrict political party activities, something David Broder, probably the most famous political reporter in the country, thinks is a terrible disaster. As I indicated earlier, it does absolutely nothing to restrict the activities of groups that hide behind the Tax Code and spend unlimited and undisclosed amounts in behalf of campaigns, so it has massive loopholes and does nothing about nonparty soft money.

Mr. PRESSLER. Does this legislation treat candidates for the Senate and the House of Representatives equally?

Mr. MCCONNELL. It has two sets of rules. An interesting question is what happens when you have a Congressman running for the Senate? It is absolutely insane to have two different sets of campaign standards for Federal office, one for the House and one for the Senate.

Mr. PRESSLER. I thank my colleague.

Mr. MCCONNELL. I thank my friend from South Dakota for his excellent statement as well.

Mr. BOREN. I yield 7 minutes to the Senator from Tennessee [Mr. SASSER].

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 7 minutes.

Mr. SASSER. I thank my friend from Oklahoma.

Mr. President, I want to congratulate and commend the distinguished Senator from Oklahoma [Mr. BOREN] for the splendid job that he has done in putting this campaign finance reform bill together. I think it is a landmark bill and a landmark effort on the part of our friend from Oklahoma, and I think the entire U.S. Senate and certainly the American people should be grateful to him for his efforts.

Passage of this legislation is long overdue. The money chase that candidates for public office must engage in has to come to a halt. We need a voluntary limit on campaign spending. We need a limit for a lot of reasons, ranging from the need to encourage more of our citizens to run for elected office to the need for elected representatives of the people to have more time to do the peoples' business of governing this country as opposed to running nonstop all over the country from one part to another raising money so they can run for reelection.

This legislation has a number of features which I think merit our support. One, it places voluntary limits on campaign spending. It provides incentives through reduced mailing rates and cheaper broadcast time for candidates to accept these voluntary campaign spending limits. It does require that a candidate for the Senate, for example, to raise from $90,000 to $250,000 in funding in order to qualify, but it also enables a candidate to have the wherewithal to respond to independent, third party expenditures that might be made against him or her.

Limits on personal contributions to a campaign that are contained in this bill prevent a wealthy candidate from simply spending millions of dollars of his or her own money to buy their way into an election and to, in essence, purchase a seat in the Congress.

Congressional leadership PAC's are also prohibited and there are new restrictions on the so-called bundling of campaign contributions to candidates for Federal offices. We recently saw the most flagrant of use and abuse of the bundling concept in the $9 million fundraiser that the Republican Party hosted just the night before last and, according to news accounts, if you raised $92,000 through bundling or some other way, then you had the right to get your picture made with the President of the United States. I hope that those news accounts are wrong, but I suspect they are not.

We do know the beneficial effects of campaign financing reform at the Presidential level. Presidential candidates, once they receive their party's nomination, receive full public funding after that date if they agree to spending limits. As of 1992, when George Herbert Bush receives his party's nomination, he will have received over $200 million in campaign funds from the Treasury fund which provides for public financing of Presidential elections. I see nothing wrong with that. I applaud the public financing of Presidential elections and I do not understand why the President thinks it is all right for his election or reelection effort to be funded out of the Treasury but thinks it is evil in some way for the campaigns of Senators or those who aspire to the House of Representatives to be partially funded out of the Treasury.

What is the benefit of a system such as that which covers the election for Presidential office? I think it ought to be obvious to everyone that it frees the candidate for the highest office in this land to discuss the issues with the American people, to lay out his platform or her platform, to engage in public debate about the values and the policies that the candidate stands for, rather than spending most or all of their time running around the country seeking to raise excessive amounts of political money.

This bill does not provide for direct public financing of Senate and House candidates, but it does set spending limits on campaign funding, and it does provide benefits to candidates in the form of reduced broadcast rates, broadcast vouchers and low-cost mail rates.

It does free the candidate to attend to the most important part of the election process, setting forth the policies and the programs that he or she believes are best for the country.

Some ask, well, why should we go forward with this bill? It is obvious the President is going to veto it. It is obvious the veto is going to be sustained here in the Senate. I think the American people are growing very weary indeed of Government by minority, and that is what we are seeing every time this President vetoes a meritorious bill here in the Congress.

People know that this veto is simply an affirmation of the status quo. It is an affirmation of Government by the minority. It is business as usual, and that is what they are sick and tired of.

Yes, we need to move forward with this bill. Changes are desperately needed in our system of campaign financing. When you have a system where the average cost of winning a seat in the House of Representatives costs $400,000, and the average cost of winning a seat in the U.S. Senate is $4 million, the American public knows it is time for a change.

So we can take a major step toward campaign financing reform by supporting this conference report and by restoring the power of the people over the power of the special or monied interests in the current electoral process.

I urge a vote in support of the conference report.

Mr. MCCONNELL. Mr. President, I yield 4 minutes to the distinguished Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 4 minutes.

Mr. KASTEN. I thank the Senator.

Mr. President, I rise today in opposition to the conference report on S. 3, the Election Reform Act of 1992. I believe that the people of America are right to be angry—damn angry—about the way that our political process is working. In my view, and I think in the view of the people all across the State of Wisconsin, genuine campaign reform is absolutely essential. We have to rescue the democratic process from the abuses that are now eroding public confidence.

That is why it is essential that we oppose any so-called reform that only codifies and perpetuates the cynicism of the current process. This bill does nothing, nothing at all, to address the real malfunctions of the system. Instead, it asks U.S. taxpayers to subsidize the current system.

S. 3 is a fig leaf, a disguise to cover up the unwillingness of the majority party to consider genuine reform.

What does this bill actually do? First of all, it says it limits campaign spending and claims that this will result in a more free and fair election process. This is absolutely false. You might as well call this part of the bill the "Incumbent Protection Act of 1992," because to equalize spending by both challengers and incumbents leaves the incumbents with huge advantages in any campaign. A challenger does not have staff assistants paid for by the taxpayers, or free office space, or the privilege of sending franked mail, or the substantial name ID, the name recognition enjoyed by most incumbents.

So to insist on dollar equity in campaign spending is to essentially lock out these challengers, to deny them an even playing field in the elections. Because it is an effective denial of free speech, it impinges on the first amendment. And that is why, in a letter to all Senators dated April 27, 1992, the American Civil Liberties Union has expressed its strong opposition to this bill; because it denies challengers the effective rights of free speech.

Second, as if to add insult to injury, the bill asks taxpayers to subsidize the very system that denies them a fair choice. Public funding of these congressional campaigns is expected to cost $250 million in Treasury funds for the 1994 congressional elections alone.

The American people are, frankly, fed up with the current campaign process. And what this bill does is ask the American people to subsidize the very system that they are fed up with.

This is unacceptable. It is the equivalent of welfare for political candidates. But actually, that comparison might be unfair to welfare recipients, because in many States, welfare recipients have to meet a work requirement in return for a taxpayer subsidy.

This bill would make a taxpayer subsidy available to any lunatic-fringe candidate without regard to his or her affiliations or beliefs. This is already happening on the Presidential level. Taxpayers have funded Lyndon LaRouche, a convicted felon, to the tune of $1.78 million since 1980; and we have funded Lenora Fulani, an obscure Marxist professor, to the tune of $2 million since 1988. And most of us cannot name or do not know who this individual, Lenora Fulani, is.

The American people think—and I agree with them—that this is simply an outrage. On all of our tax forms, there is a little box we can check if we want to subsidize the Presidential campaign. Currently, 84 percent of Wisconsin taxpayers are checking off "no" in response to the subsidy on Presidential campaigns. They are saying: No; we will not subsidize political campaigns.

In 1990, which was the last year for which records are complete in Wisconsin, 2,252,000 Wisconsinites filed tax returns. Only 359,000—that is 16 percent—checked the box saying they wanted to subsidize Presidential campaigns.

The fringe candidates that we have lured into the Presidential race are bad enough. Just imagine how many more of them will climb out of the woodwork to run for Congress and the Senate if we encourage them through taxpayer subsidies. This bill does not ask what you think about David Duke, Lyndon LaRouche, or Lenora Fulani. It just says: Congratulations, Mr. and Mrs. Taxpayer; you are now a contributor to these fringe campaigns.

Mr. President, the American people demand genuine campaign reform. This bill is just not good enough. That is why I urge my colleagues to oppose this conference report and work together in a bipartisan manner to pass meaningful, workable, sensible campaign finance reform.

I ask unanimous consent that the letter from the American Civil Liberties Union, along with an outline of the spending by the fringe candidates, be printed in the RECORD as part of my statement.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICAN CIVIL LIBERTIES UNION,
Washington, April 27, 1992.

DEAR SENATOR: The American Civil Liberties Union opposes the campaign financing legislation that will be considered this week by the Senate. The limitations on campaign contributions and expenditures contained in the conference bill impinge directly on freedom of speech and association and will not solve the problems of fairness and financial equity that the legislation is intended to remedy. Moreover, in our view, the legislation's imposition of contribution and expenditure caps in return for partial public financing amount to an unconstitutional condition on freedom of speech. In essence, it amounts to government buying an agreement from candidates that they will not speak as freely and frequently as they otherwise might and that they will impose additional limits on the expressions of support they will accept from others.

It is true that the current system of private campaign financing does cause disparities in the ability of different groups, individuals, and candidates to communicate their views on politics and government. However, the appropriate response in keeping with our nation's constitutional commitment to civil liberties is to expand, rather than limit, the resources available for political advocacy. Public financing can play a powerful role in expanding political participation and understanding, but it should not be used as a device to give the government a restrictive power over political speech and association.

We urge you to reject the campaign finance package that emerged from the conference and instead focus on meaningful reforms that would facilitate the candidacies of those who might not otherwise run and broaden the spectrum of campaign debate.

Sincerely,

MORTON H. HALPERIN.
ROBERT S. PECK,
Legislative Counsel.

Total sums of public matching funds received by third party candidates

Sonia Johnson:	
1984	$193,734
Lyndon LaRouche:	
1980	470,501
1984	494,145
1988	820,781
	1,785,427
Lenora Fulani:	
1988	922,106
1992	[1] 1,174,329
	2,096,435

[1] Effective April 29, 1992.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. BOREN. Mr. President, I yield 7 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 7 minutes.

Mr. WELLSTONE. Mr. President, I thank the Chair.

Problem: New York Times: "Bush Earns $8 Million For Party and Criticism For Himself; $1,500 to $400,000 Contributed by Individuals, Groups, and Organizations."

Mr. President, I will not just talk about this fundraiser. I will talk about the raising of money as it applies to Republicans and Democrats in a moment. But this is really obscene. It undercuts the whole idea of democracy. That is what we are talking about here.

In a democracy, so my father taught me, each and every person counts as one and no more than one. Marlin Fitzwater says it is "buying access to the system."

Yes, it is buying access to the system. But that is not the way it is supposed to work. Too many people are left out. This is government to the highest bidder. This is checkbook democracy. This is auction-block democracy. This is not what this country is all about. It is also precisely what people are angry about, and where and why people are calling for change.

Now, Mr. President, I went through this in my own campaign. We did not raise a lot of money. As a matter of fact, when I came here to the Senate, I received advice from a very fine colleague that I needed to get serious about raising, roughly speaking, $10,000 a week for reelection. By the way, Mr. President, I am way far behind; way behind. It does not make any sense.

I ran for office. I approached people here in Washington, DC: Were they interested? I talked about my ideas. I talked about my hopes for the country. They were not really interested. It was a matter of was I wealthy; how much money did I have. This is what it has come down to.

Moreover, not only does money determine who gets to run or who gets elected; I have been hearing some of my colleagues on the other side of the aisle saying that S. 3, the piece of legislation that Senator BOREN has worked on so hard, would really lock it in for incumbents. I am under the impression that from 1990—and I was lucky enough to be the only person to defeat an incumbent in the 1990 Senate races—the incumbents have already an overwhelming advantage in terms of raising this money; they were the ones tied into the PAC's; that they were the ones tied into the huge war chests.

That, I think, is what the evidence suggests. What is worse is its effect on policy when we get here. I am not talking about the corruption of an individual officeholder. I am talking about something much more serious. I am talking about systemic corruption, wherein too few people, because of their economic resources, have too much access and too many people are left out of the picture. I am talking about money affecting policy performance here.

You and I both, Mr. President, have introduced health care legislation. I read in the papers that sweeping national health insurance may not have much of a chance because the health industry in the last 10 years has poured in $60 million to Representatives and Senators—that is what we are trying to deal with—in the last 2 years, $20 million.

That is not the way we are supposed to conduct government. Let me repeat that that is not the way we are supposed to conduct government. I really think that this is about as fundamental a debate as we will have and as fundamental a vote as we will take.

Mr. President, it is hard—and the Senator from Oklahoma knows this—for me to talk about this in 7 minutes. This is such an important issue. I think it is whether we are going to have a functional democracy or real representative democracy.

Does S. 3 go far enough? No; I thought it was about compromise. I will tell you something. I would like to eliminate all the big money out of politics. If I get my day, sometime I will introduce that kind of legislation.

I will tell you something else. I think the threshold test is too high for a candidate to qualify. We now have lowered the limit to between $250,000 and $90,000, I think something like that, for an individual depending upon population of State. My point of view is most regular people could never raise $90,000, myself included, of their own money, much less $2,000.

But is S. 3 a step in the right direction? Let me repeat that. Is S. 3 in the right direction? People on the other side of the aisle keep dancing all around and keep telling us this bill is not the right piece of legislation for this reason, the right piece of legislation for that reason. They have all sorts of reasons for opposing some effort to finally at least take a step—let me repeat, a step—toward reducing this obscene expenditure of money which so severely undercuts democracy.

Mr. President, let me conclude by quoting Haynes Johnson in his fine book "Sleepwalking Through History." In Midland, TX, entrepreneurs in the Nation's oil production capital gathered at the Holiday Inn to celebrate Reagan's inaugural. On a buffet table they placed a cutout of the Capitol dome in Washington. On it was one word, "Ours." For too many people in this country, they do not consider the U.S. Capitol to be theirs.

This piece of legislation is an important step in giving people some assurance and reassurance that we will finally do something about the money chase. We are going to get serious about maximizing democracy, and we are going to finally make sure that people have more say and more control over their own Capitol and their own Government. For the life of me, I cannot understand why any of my colleagues would vote against such an important step.

I yield the remainder of my time.

Mr. MCCONNELL. Mr. President, I yield 3 minutes to the distinguished Senator from Mississippi.

The PRESIDING OFFICER (Mr. AKAKA). The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, the real aim of Federal election campaign reform ought to be to help make campaigns more competitive. This conference report only helps Senators and Congressmen keep their jobs.

The limits this bill places on contributions for challengers will make it harder for them to win campaigns against incumbents.

The public financing authorized in this bill makes Americans foot the bill for many political campaigns and candidates they would not otherwise support.

A look at the estimates that I have seen about the cost in each election cycle of this bill indicates that in each election year between $245 million and $364 million will be spent subsidizing Senate and House campaigns. A midway estimate is about $300 million for the 1994 elections. The cost, therefore, of subsidizing these elections over a 6-year Senate election cycle would be about $1 billion.

The Federal Election Commission has estimated in testimony before the Rules Committee that it would cost at least $2 million each year to oversee and administer the program that is authorized in this legislation. They are already spending $18 million each year in administrative costs at the FEC, and I doubt very seriously, if you look at the complexity of this legislation, that they could do it for $2 million per year.

The Appropriations Committee is convening right now downstairs on the first floor to consider a rescission bill that will cancel funding for a multitude of Federal programs for this fiscal year to try to reduce the deficit in this current year's budget. It is the height of irony that the Senate is being asked here on the floor, at the same time that that meeting is taking place, to create a new spending program that will add to the deficit. They have said that sometimes the left hand does not know what the right hand is doing. That is obviously true here in the Senate today, or maybe it should be said that the left hand does not know what the farther left hand is doing today in the Senate.

Mr. President, we should vote "no" on this conference report.

Mr. MCCONNELL. Mr. President, I thank my friend from Mississippi for his outstanding statement. I yield 5 minutes to the distinguished Senator from Oklahoma.

Mr. NICKLES. Mr. President, first I wish to thank my colleague and friend from Kentucky, Senator MCCONNELL, for his leadership on this issue. And, likewise, I would like to compliment my friend and colleague, Senator

BOREN. I compliment him for his dedication on this issue.

I do not agree with the final product of the conference. I think the final product leaves a lot to be desired. I urge my colleague from Oklahoma to take up Senator DOLE on his request that he made yesterday that we work together in a bipartisan fashion to pass a bill that could pass and be signed by the President of the United States. This bill does not meet that criteria. This bill is not a bipartisan bill. It is a bill that was passed by the Democrats in both the House and the Senate, and it is fatally flawed. It will be vetoed and the veto will be sustained.

It is like the tax bill. It may be good for politics, I do not know. But we are wasting our time. There is not any person in Washington, DC, or probably the country that thinks this bill has any chance of becoming law. The President is going to veto it. We will sustain his veto.

So I urge those people who are involved in leadership on this issue. Let us work together in a bipartisan fashion and see if we cannot pass a bill that the President can sign.

In this Senator's opinion this bill is fatally flawed for several reasons. First and foremost, it has public financing. It has taxpayer financing of several provisions that enhance politicians running for reelection. The President stated he would veto it.

Many of us stood on the floor and said we will support a bill, but we do not want the taxpayers picking up the tab. They should not subsidize my race or anybody's race running for the U.S. Senate or the U.S. Congress. The cost of this bill is enormous. We have estimated the cost of this bill—I say "we" talking about the Republican Policy Committee—to the tune of over $300 million per election cycle, over $1 billion over a 6-year period of time.

I am putting into the RECORD a very significant statement that details, with footnotes, how we came up with those calculations. It has several subsidies. I heard one of my colleagues say, well, there are incentives to participate, one of which is broadcast vouchers. In small States the bill gives a broadcast voucher, paid for by the taxpayers, worth $190,000, to go out and have free TV or radio time. The bill goes further. It mandates to the broadcasters that they have to provide rates of one-half the lowest rate of anybody. That means this bill is going to give politicians, candidates for the U.S. Senate, rates one-half the rate that they charge for churches.

I talked last night to a broadcaster from Ardmore, OK. He said, "We give the lowest rate basically to charitable organizations and churches. If you tell us that we have to offer politicians one-half of that rate, we are going to raise the lowest rate because, frankly, we do not make money on the church ads," and so on.

The net result of this bill is that we are going to raise the rates for charitable organizations, those minimum rates; if we have to give Senate candidates one-half of the lowest rate, we are going to have a much higher charitable organization rate. I think we need to think about this, because we are going to be increasing the advertising rates for a lot of charitable organizations. I know that is not the intention, but I think it will be the result.

Then I might mention public financing—I have heard my colleagues talk about it a little bit—we are going to say that politicians can mail at a special third-class rate. Why in the world should politicians be able to mail at 9.8 cents when most third-class mail costs 16.5 cents? I do not think we should have that kind of "entitlement."

Then when we get into broadcast discounts, why in the world should we be so special to have one-half the rate of anybody else? Certainly, if it applies to U.S. Senate and U.S. congressional candidates, it has to apply to any other candidate such as for city council, county commissioner, or State Governor. So we are going to be mandating a much lower rate than anybody else in the country. I think advertisers are going to have real trouble with that.

I happen to be in a State where we have a lot of broadcasters, small radio stations and TV stations that are not making any money. Why in the world should we go and tell them that we deserve something special, we deserve a lower rate than any of your commercial customers or then even your charitable organizations?

Then I heard some of my colleagues say these are voluntary spending limits. I beg to differ.

Mr. President, if it is voluntary and a person elects not to comply, then his opponent, if the general election limit is $950,000, that is the minimum amount, if the noneligible candidate exceeds his spending limit by that amount, his eligible opponent is going to get a million dollars. If it is one of the larger States like California, if the noneligible candidate exceeds it by $5 million, the eligible candidate is going to get $5 million. That is not voluntary. Eligible candidates receive taxpayer subsidies of $1 million or $5 million. Because another person elects not to participate, they can take that money and buy twice as much advertising for the same dollar.

So you are turning a subsidy into a massive advantage, even for a small State, the smallest of States. With $950,000, if your opponent does not participate, then you can look at a tax subsidy of $950,000. You will have that matched, $950,000. You get to buy broadcast at one-half the rate. That is equal to $1.8 million. Add in the vouchers, add in the mail subsidy, and you are talking about subsidizing, even in the smallest State, to a tune of $2.5 million.

We need to reject this bill. I yield.

Mr. BOREN. Mr. President, there are a lot of factors here and a lot of complications, because we have Supreme Court decisions to deal with. We can argue back and forth about fine tuning this bill, what the broadcast rates ought to be, how we can keep the cost to the taxpayers down.

The bill provides that there will be no general revenues selected from the taxpayers at large to finance the bill. That ought to be on the record.

Let us deal with the essential issue and the reason why we have not been able to work out a compromise that would satisfy both sides of the aisle. That all comes down to one issue on which there is a fundamental disagreement. That issue is: Should we try to place limits on the amount of spending in campaigns? That is the issue.

Those on the other on the other side of the aisle say "no," that somehow restricts the freedom of Americans. Those of us who crafted this bill believe that the most important thing we can do to turn Government back to the people is to put a limit on campaign spending.

In over 95 percent of all of the elections in this country for the Congress, for national office, the candidate that raises the most money wins. It does not matter if it is a Democrat or a Republican. The candidate that raises the most money wins. It is no wonder that in the latest Gallup poll 71 percent of the American people said: We believe that Congress represents special interests, those who have the ability to pour money into campaigns, instead of representing us.

Mr. President, many of us in this body believe enough is enough. Let us stop the money chase. Let us bring competition and politics back on the issues, on the qualifications of the candidates, and not on the basis of who can raise the most money.

Incumbents in the last election cycle were able to raise eight times as much as challengers in the House, three times as much money as challengers in the Senate. No wonder the people believe that the deck is stacked in favor of incumbents, because those people who are here have the ability to raise more money than those people who are trying to get here. If our bill had been in effect with its spending limits during the last election cycle, almost no challengers—only a handful—would have been able to come up with that limit. The average challenger would still be $800,000 below the limit, but the average incumbent would have exceeded the limits by $1.5 million.

I think this chart explains it very clearly. If the limits had been in effect under this bill—the spending limit—in 1990, incumbents would have gone over the limit by a total of $45 million. The very few challengers who went over the limit, went over the limit by only $3.6

million. The deck is being stacked against the challengers, and it is being stacked because of the power of money. Where is that money coming from?

More than half of all the money poured into campaigns did not come from the people back home at the grassroots; it came from the special interest groups, the political action committees, the lobbying groups of both labor and business.

Where do they give their money? In 1990, they gave $16 in the House—the political action committees—to incumbents for every $1 they gave for challengers. In the Senate they gave $4 to every incumbent—Republican or Democrat, it did not matter—versus $1 per challenger.

The problem is not getting better. It is getting worse. So far in this election cycle, the special interest money, the PAC money, is going 25 to 1 to incumbents over challengers, and 15 to 1 for incumbents over challengers in the Senate.

Enough is enough. The people are right. We need change. This institution needs to be put back in the hands of the people, and not kept in the hands of those who have the power to pour more and more and more money into the political process. The issue is spending limits. Let us stop this money chase, which has taken the average cost of a campaign in this country from $600,000 to win a U.S. Senate race just 12 years ago to $4 million this year.

Are we going to wait, Mr. President, until it takes $10 million to win a Senate race, or $20 million or $50 million? How much is enough? When will we return this Government back to the people where it belongs? When will we start to merit the confidence of the American people, 80 percent of whom said last week they had no confidence in the Congress?

We can take no more important action than to pass this bill by an overwhelming majority and say let us begin to squeeze excessive special interest money out of the political process.

I yield to the Senator from Massachusetts 8 minutes.

Mr. NICKLES. Will the Senator yield for a second?

Mr. KERRY. Not on my time. Mr. President, I am happy to yield for a question or a comment, as long as it is not on the time of the Senator from Oklahoma.

Mr. NICKLES. If I could ask the Senator for 2 minutes and add that to my statement, then I will yield.

Mr. McCONNELL. Mr. President, let me say the problem is that we had two speakers in a row on this side, and I assume they are taking two in a row on the other side.

Mr. NICKLES. I would like to complete my statement.

Mr. KERRY. Mr. President, I have no objection to the Senator from Oklahoma completing his statement.

59-059 O—96 Vol. 138 (Pt. 7) 40

Mr. NICKLES. Mr. President, when we are talking about limiting special interests, when we passed the bill in the Senate we spent zero on PAC's, and some of us think that might be unconstitutional. So then we said PAC's will be limited to $1,000. When the bill came back from conference all of a sudden PAC's can give Senators $5,000.

Many think PAC's should not be able to give fully more than individuals can give. The bill did not come back limiting special interests. It came back expanding special interests. The House cap is the same as under current law, $10,000. The PAC's can still give $10,000.

Many of us are interested in limiting PAC's and maybe that is what we can do in bipartisan fashion, one of the things we should do.

I want to point out some of the inequities from this bill.

I see my colleague from North Carolina is here and he has a State which has a voting-age population of 5 million. The State of New Jersey has a voting-age population, 5.9 million, and the spending limit is almost $7.6 million. And the State of North Carolina has a spending limit of $3 million. Actually I look at the State of New York voting age population of 13.6 million and the limit is $6.7 million. In other words, New Jersey gets to spend more than New York. Page 7 of the bill is where New Jersey gets a heck of a deal. They get a higher rate than any other State in the Nation. That is interesting. I look at other States and see Wyoming has one-fourth of the population of West Virginia but have the same spending amounts. There are a lot of gross inequities in here. I do not know how people were able to put in there a little special interest provisions, whatever Senator or House Member, but these inequities should not become law, this bill should not become law.

Again I thank my colleague from Kentucky for his yielding, and also my friend and colleague from Massachusetts as well.

Mr. President, on April 10 the Senate passed a budget resolution that contains a deficit of $394 billion for fiscal year 1993. Most Members of Congress will be amazed if the actual deficit for fiscal year 1993 is less than $400 billion.

Now, a majority of the House of Representatives has passed, and I suppose a majority of the Senate will soon pass, a bill that proposes to give out hundreds of millions of dollars to subsidize our own reelection campaigns for the Senate and the House. Over the Senate's 6-year election cycle, S. 3 could cost taxpayers and the private sector $1 billion. It is hard for me to think of a program that is less worthy of public funds.

For that reason, and others, I am confident that the President will veto this bill. The President has promised to veto any bill that contains taxpayer financing of congressional campaigns. And this bill, S. 3, is the first of two steps toward taxpayer financing for our political campaigns.

S. 3 has been cleverly drafted: it authorizes taxpayer financing without actually handing over the dough. It was written that way so that Members who vote for the bill can claim both to have supported taxpayer financing and to have opposed it.

For example, in an editorial of April 6 the New York Times said, S. 3 contains "sensible public financing." The same day, the Washington Post said, S. 3 "provide[s] partial public funding." Members who agree with the opinions of the New York Times and the Washington Post can vote for this bill and say they supported a bill with public financing. For example, on the House floor Congressman TED WEISS, Democrat of New York, said, S. 3 "includes public financing provisions similar to those instituted for Presidential elections in 1974. * * *" [138 Cong. Rec. 9009 (daily ed. April 9, 1992)] Congressman WEISS voted for the conference report on S. 3.

At the same time, because S. 3 does not actually say how its subsidies are going to be paid for, Members can vote for this bill and say they are opposed to taxpayer subsidies. For example, Democratic Representative MARILYN LLOYD of Tennessee submitted a floor statement that contains this remarkable sentence: "The conference agreement does not contain public financing which I strongly oppose." [138 Cong. Rec. H2518 (daily ed. April 9, 1992)] Congresswoman LLOYD voted for the conference report on S. 3.

The conference report on S. 3 attempts to provide political cover to congressional candidates who want to feed at the Federal trough but know the taxpayers won't stand for it. Here is how it works:

First, the conference report takes some 30 pages to explain how candidates for the Senate and the House of Representatives can qualify for subsidies of one sort or another. Then, the conference report takes a handful of words to say, "Hold on, we haven't yet figured out who we are going to tax to pay for these benefits so the provisions of this bill are not effective until we figure that out. Section 902 is where the bill says, Hold on * * *." Subsection (a) of section 902 provides in its entirety,

> The provisions of this Act (other than this section) shall not be effective until the estimated costs under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 have been offset by the enactment of subsequent legislation effectuating this Act.

This sleight of hand allows Members to claim that the bill both does and does not provide taxpayer financing for political campaigns. It really does provide subsidies, of course, but not just yet.

Subsection (b) of section 902 is equally creative. It provides in its entirety,

It is the sense of the Congress that subsequent legislation effectuating this Act shall not provide for general revenue increases, reduce expenditures for any existing Federal program, or increase the Federal budget deficit.

Note that only "general revenue increases" are mentioned. If general revenue increases are out that leaves only particular and specific revenue increases—which is the way most taxes are paid anyway. The sponsors of this boondoggle are afraid to tax the general public to pay for their reelection campaigns so they are hoping to find some small and unpopular group to tax.

Since the whole purpose of S. 3 is to provide subsidies to candidates running for Congress, it is virtually certain that if S. 3 is enacted Congress will find some group to tax to pay for the costs of S. 3.

And those costs are substantial: The Congresssional Budget Office [CBO] estimates that just for the 1994 elections S. 3 will cost the public sector between $93 million and $170 million. The Republican Policy Committee [RPC] estimates that for just the 1994 elections S. 3 will cost the public sector about $250 million and the private sector about $50 million. The private sector subsidies are provided directly by broadcasters in the form of half-price broadcast rates.

If candidates participate in the subsidy system of S. 3 at the rates assumed by the RPC, for Senate and House elections both S. 3 will cost taxpayers and broadcasters about $1 billion over the 6 years of a Senate election cycle.

I ask unanimous consent that a table comparing the CBO and RPC estimates be included at the end of my statement, see appendix A.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. NICKLES. Mr. President, of course, S. 3 provides subsidies to candidates for both the Senate and the House. I will not talk about the benefits available to candidates for the House, but those benefits are summarized in appendix B, and I ask unanimous consent that appendix B be included in the RECORD at the end of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. NICKLES. Mr. President, candidates for the U.S. Senate are eligible for the benefits of S. 3 if they:

First, agree to limit their spending in primary, runoff, and general elections;

Second, meet requirements related to timely filing, recordkeeping, money management; and other matters; and

Third, raise 10 percent of the general election expenditure limit—or $250,000, whichever is less—in contributions of $250 or less from individuals, one-half of whom must reside in the candidate's State.

The general election expenditure limit [GEEL] is based on population and runs from $950,000 in smaller States to $5.5 million in California. A State-by-State list of spending limits and benefits for eligible candidates may be found in appendix C. I ask unanimous consent that appendix C be included in the RECORD at the end of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. NICKLES. Mr. President, once a Senate candidate has met the qualifications of S. 3, he or she becomes an eligible candidate who is entitled to:

First, a voter communication voucher equal to 20 percent of the spending limit, 10 percent of the limit for a minor party candidate;

Second, the excess expenditure amount which is doled out on a sliding scale according to the amount raised by a noneligible opponent;

Third, the independent expenditure amount which is given to an eligible candidate to counter independent expenditures that are made for his or her opponent or against him or her if the expenditures are above a trigger amount. The trigger amount is $10,000 up until the 20th day before an election when the trigger amount falls to $1,000;

Fourth, special mailing rates that allow the candidate to mail at a reduced rate the number of pieces of mail that is equal to the voting age population [VAP] in the State; and

Fifth, broadcast media rates that are not greater than 50 percent of the "lowest charge of the station for the same amount of time for the same period on the same date."

Needless to say, these benefits are going to cost millions and millions of dollars. In my State of Oklahoma, for example, if my opponent were to become an eligible candidate under S. 3 he would receive something like $1.2 million in subsidies from taxpayers and something like $556,000 in subsidies from broadcasters—and I am convinced that those estimates are low.

To begin with, my Oklahoma opponent would get media vouchers worth $220,000. The vouchers are issued by the Federal Government and can only be spent on buying ads.

Next, my eligible opponent would receive something called the excess expenditure amount to match donations given to me on a private, voluntary basis which exceed S. 3's spending limits. In the RPC estimate of S. 3's costs, my opponent was assumed to be eligible for a subsidy equal to 67 percent of the general election expenditure limit. That estimate is going to be too low, however, if I raise or spend more than 67 percent above the spending limit, which most likely would be the case. Therefore, in the RPC estimate my opponent was assumed to receive a subsidy of about $741,000 for the excess expenditure amount, but that amount could increase to about $1,111,000. That subsidy to my opponent comes from taxpayers in Oklahoma and throughout the Nation.

My eligible opponent then gets money to answer independent expenditures that are made against him or for me. Such a provision may have serious constitutional problems, but it certainly has serious fiscal implications because this subsidy is unlimited. RPC assumed independent expenditures of about 5 percent of the general election spending limit and estimated a subsidy to my opponent of $55,600. That subsidy comes from the Federal Government.

Then, my eligible opponent gets to send 2,370,000 pieces of mail at a reduced rate. The tab for this mail subsidy will be picked up by taxpayers. In Oklahoma, the bill amounts to about $159,000.

In short, my opponent gets about $1.2 million from the taxpayers to run against me.

That is not enough for the proponents of S. 3, of course. My opponent also gets a subsidy provided directly by the broadcast industry: Eligible candidates must be given broadcast rates that are one-half of the rates charged to noneligible candidates like me.

The RPC estimate figured that an eligible candidate would receive a total broadcast subsidy equal to one-half of the general election spending limit. In Oklahoma, a 50 percent broadcast subsidy would amount to $556,000. I think that estimate is low: To begin with, my eligible opponent gets a broadcast voucher equal to 20 percent of the spending limit which can be spent only on purchases of broadcast time. Since he gets half-price rates, the broadcasters will match that 20 percent. The RPC then assumed that my eligible opponent would spend just another 30 percent of the spending limit on purchases of broadcast time—which of course would be matched, dollar-for-dollar at the half-price rates, by the broadcast industry. I expect RPC's assumptions will prove low. Anytime a candidate for public office can buy a highly valuable commodity like broadcast time for one-half the going rate, he or she is going to spend plenty of money on the subsidized commodity.

In total, therefore, my subsidized, eligible opponent will receive about $1.2 million or more from taxpayers and about $556,000 or more from broadcasters.

Mr. President, taxpayer subsidies for congressional campaigns is an expensive idea. Additionally, it is a bad idea. I am going to vote against the conference report, and I will be pleased to help the President put a stop to this attempt to give taxpayers' moneys to

politicians for their political campaigns.

EXHIBIT 1

APPENDIX A—COMPARING THE RPC AND CBO COST ESTIMATES FOR THE CONFERENCE REPORT ON S. 3

TABLE 1.—1994 SENATE RACES (34 STATES)—ONE MAJOR PARTY CANDIDATE IN EACH STATE ELIGIBLE, TOTAL OF 12 MINOR PARTY CANDIDATES ELIGIBLE

[In millions of dollars]

	RPC estimate—			CBO estimate (does not count minor parties)
	Major parties	Total	Minor parties	
Voter communication vouchers	11.8	.....	4.6	12.0
Excess expenditure amount	39.0	.....	9.1	50.0
Independent expenditure amount	2.9	.....	2.3	[1]
Special mailing rates	9.3	.....	9.9	6.0
Administrative cost	2.0	.....	.....	2.0
Total	65.0	.....	25.9	.....
Combined total, Government	.....	90.9	.....	70.0
Private sector subsidy	29.3	.....	9.1	[2]
Combined total, private	.....	38.4	.....	.....
Combined total, all	.....	129.3	.....	.....

[1] No estimate.
[2] No estimate Government.

TABLE 2.—1994 SENATE RACES (34 STATES)—TWO MAJOR PARTY CANDIDATES IN EACH STATE ELIGIBLE, TOTAL OF 12 MINOR PARTY CANDIDATES ELIGIBLE

[In millions of dollars]

	RPC estimate—			CBO estimate (does not count minor parties)
	Major parties	Total	Minor parties	
Voter communication vouchers	23.6	.....	4.6	24.0
Excess expenditure amount	.....	.....	.....	.....
Independent expenditure amount	5.8	.....	2.3	[1]
Special mailing rates	18.6	.....	9.9	12.0
Administrative cost	2.0	.....	.....	2.0
Total	50.0	.....	16.8	.....
Combined total, Government	.....	66.8	.....	38.0
Private sector subsidy	58.6	.....	9.1	[2]
Combined total, private	.....	67.7	.....	.....
Combined total, all	.....	134.5	.....	.....

[1] No estimate.
[2] No estimate Government.

NOTES FOR SENATE ESTIMATES (TABLES 1 & 2)

The Republican Policy Committee, unlike the Congressional Budget Office, includes costs imposed directly on the private sector. S. 3 requires broadcasters to sell time to eligible Senate candidates at 50 percent of an already-reduced rate. When a bill requires an industry to sell its product to Senate candidates at one-half the going rate, we refuse to count that cost as a nullity merely because it does not fall on a government account.

RPC, unlike CBO, includes an estimated cost of minor party participation in Senate races. We acknowledge that these estimates are based on assumptions that are little more than educated guesses. However, S. 3 provides strong incentives for participation by candidates of minor parties and costs will indeed be incurred. Our estimates will prove to be a great deal closer to the mark than nothingness—which is the typical way these minor party costs are handled. For the 1994 Senate races, we assumed there will be three minor party candidates in California, two minor party candidates in New York, and one minor party candidate in each of Florida, Massachusetts, Michigan, New Jersey, Ohio, Pennsylvania, and Texas.

RPC, unlike CBO, makes an estimate for the independent expenditure amount. We assume the independent expenditure amount will be five percent of the general election expenditure limit. In the past, independent expenditures equaled about two percent of all spending in Senate campaigns. "FEC Final Report on 1988 Congressional Campaigns Shows $459 Million Spent," F.E.C. press release, Oct. 31, 1989, pp. 5, 13 (1987–88 election cycle). Five percent seems to be a conservative assumption in a campaign environment in which direct spending will be capped.

The RPC concluded on the basis of information provided by the U.S. Postal Service that the special mail rate provided by S. 3 would be worth 6.7 cents per piece. U.S.P.S., "Memorandum of Postal Provisions of Campaign Reform Bill" (Mar. 30, 1992). CBO used a figure of 4.3 cents per piece.

The RPC estimates and the CBO estimates depend first on participation rates. Those rates may be speculated on, see, e.g., the helpful CBO Cost Estimate on H.R. 3750, H. Rpt. no. 102-340, pt. 1, 102d Cong., 1st Sess, 62–66 (1991), but they cannot be known ahead of time. Increased participation rates do not necessarily increase costs: Because of the excess expenditure amount which goes to eligible candidates who run against noneligible candidates, a race may actually impose greater costs on the Federal treasury if one candidate does not participate in the funding scheme.

The rough cost of subsidizing Senate races over a six-year election cycle can be obtained by multiplying the 1994 costs by three. The actual cost of subsidies for the Senate will vary from election to election because of elections featuring large States are more expensive.

Benefits under S. 3 are indexed and will increase with the rate of inflation.

TABLE 3.—1994 HOUSE OF REPRESENTATIVES RACES

[In millions of dollars]

	RPC estimate—		CBO estimate	Unitary estimate
	Only one major party candidate eligible	Two major party candidates eligible		
Matching funds	88.0	176.0	45.0	90.0
Independent expenditure amount	13.2	26.4	[1]	[1]
Special mailing rates	12.5	25.0	8.0	.....
Administrative cost	2.0	.....	2.0	.....
Totals	115.7	229.4	55.0	100.0

[1] Not estimated.

NOTES FOR HOUSE OF REPRESENTATIVES ESTIMATES (TABLE 3)

The Republican Policy Committee did not calculate three costs that will be attributable to House races and paid from the Federal treasury: first, the cost of subsidies to minor party candidates; second, the cost of the "triple match" subsidy which is given to an eligible candidate when his nonparticipating opponent contributes large sums of money to his own campaign; and third, the cost of the $50,000 subsidy for House candidates in closely contested primary elections.

Benefits under S. 3 are indexed and will increase with the rate of inflation.

Costs in the House of Representatives were calculated on the basis of 440 elections, not 435. There are 435 Representatives in the House, four delegates, and one resident commissioner. All are eligible for subsidies.

The differences between the RPC estimates for the House and the CBO estimates are largely the result of different assumptions about participation rates. RPC made calculations for one eligible candidate in every race and for two eligible candidates in every race. CBO doubts that participation rates will be that high: "Although the maximum cost of the matching payments [in House races] would be about $176 million every two years, a more likely range for this benefit would be $45 million to $90 million, assuming about half of the candidates become eligible for benefits. In addition, the same eligible candidate would receive a postal subsidy. The cost of these benefits would ultimately depend on the number of candidates who participate, which is difficult to estimate with precision." CBO Cost Estimate on H.R. 3750, H. Rpt. no. 102-340, pt. 1, 102d Cong., 1st Sess. 62, 63 (1991).

EXHIBIT 2

APPENDIX B—BENEFITS TO ELIGIBLE HOUSE CANDIDATES

In general, candidates for election to the House of Representatives become eligible for the benefits of S. 3 if they agree to limit their spending to $600,000 and raise at least $60,000 in contributions from individuals, with not more than $250 to be taken into account for each individual contribution. Sec. 121-"601(a)" & 121-"604(c)". They must also qualify for the ballot, have an opponent, and agree to comply with disclosure rules, contribution limits, spending limits, and so on. This general rule is subject to numerous variations and waivers, however. In addition, legal and accounting fees and taxes are not subject to expenditure limits, sec. 121-"601(e)", and up to five percent of fundraising costs (which may include salaries of the campaign staff and overhead expenditures for the campaign office) are not subject to the limits, sec. 121-"601(f)".

Under the provisions of S. 3, eligible House candidates are entitled to—

Up to $200,000 in matching funds, sec. 121-"601(a)" (the $200,000 ceiling is waived if a noneligible opponent spends more than 80 percent of the spending limit, sec. 121-"601(d)");

A subsidy to match independent expenditures above $10,000, sec. 121-"604(d)";

A special mail rate for the number of pieces of mail that is equal to the voting age population (VAP) in the district, sec. 132;

A "triple match" subsidy to counter large contributions made personally by a noneligible candidate, sec. 121-"603(e)(3)"; and

A $50,000 subsidy if there is a closely contested primary election, sec. 121-"604(f)".

EXHIBIT 3

APPENDIX C.—ESTIMATED SUBSIDIES TO ELIGIBLE MAJOR PARTY CANDIDATES RUNNING AGAINST A NONELIGIBLE MAJOR PARTY CANDIDATE BY STATE

[Current dollars]

	Population of voting age (1990) (VAP)	General election expenditure limit (GEEL)	Voter communication vouchers (20 percent GEEL)	Estimate excess expenditure amount (67 percent GEEL)	Estimate independent expenditures (5 percent GEEL)	Special mailing rates (6.7 cents times VAP)	Estimate total Government subsidies	Private sector subsidy (50 percent GEEL)	Total of all subsidies
Alabama	3,010,000	1,303,000	260,600	868,667	65,150	201,670	1,396,087	651,500	2,047,587
Alaska	362,000	950,000	190,000	633,333	47,500	24,254	895,087	475,000	1,370,087
Arizona	2,575,000	1,172,500	234,500	781,667	58,625	172,525	1,247,317	586,250	1,833,567
Arkansas	1,756,000	950,000	190,000	633,333	47,500	117,652	988,485	475,000	1,463,485
California	21,350,000	5,500,000	1,100,000	3,666,667	275,000	1,430,450	6,472,117	2,750,000	9,222,117
Colorado	2,453,000	1,135,900	227,180	757,267	56,795	164,351	1,205,593	567,950	1,773,543
Connecticut	2,479,000	1,143,700	228,740	762,467	57,185	166,093	1,214,485	571,850	1,786,335
Delaware	504,000	950,000	190,000	633,333	47,500	33,768	904,601	475,000	1,379,601
Florida	9,799,000	3,049,750	609,950	2,033,167	152,488	656,533	3,452,137	1,524,875	4,977,012
Georgia	4,639,000	1,759,750	351,950	1,173,167	87,988	310,813	1,923,917	879,875	2,803,792
Hawaii	825,000	950,000	190,000	633,333	47,500	55,275	926,108	475,000	1,401,108
Idaho	710,000	950,000	190,000	633,333	47,500	47,570	918,403	475,000	1,393,403
Illinois	8,678,000	2,769,500	553,900	1,846,333	138,475	581,426	3,120,134	1,384,750	4,504,884
Indiana	4,133,000	1,633,250	326,650	1,088,833	81,663	276,911	1,774,057	816,625	2,590,682
Iowa	2,132,000	1,039,600	207,920	693,067	51,980	142,844	1,095,811	519,800	1,615,611
Kansas	1,854,000	956,200	191,240	637,467	47,810	124,218	1,000,735	478,100	1,478,835
Kentucky	2,760,000	1,228,000	245,600	818,667	61,400	184,920	1,310,587	614,000	1,924,587
Louisiana	3,109,000	1,332,700	266,540	888,467	66,635	208,303	1,429,945	666,350	2,096,295
Maine	917,000	950,000	190,000	633,333	47,500	61,439	932,272	475,000	1,407,272
Maryland	3,533,000	1,459,900	291,980	973,267	72,995	236,711	1,574,953	729,950	2,304,903
Massachusetts	4,576,000	1,744,000	348,800	1,162,667	87,200	306,592	1,905,259	872,000	2,777,259
Michigan	6,829,000	2,307,250	461,450	1,538,167	115,363	457,543	2,572,522	1,153,625	3,726,147
Minnesota	3,224,000	1,367,200	273,440	911,467	68,360	216,008	1,469,275	683,600	2,152,875
Mississippi	1,852,000	955,600	191,120	637,067	47,780	124,084	1,000,051	477,800	1,477,851
Missouri	3,854,000	1,556,200	311,240	1,037,467	77,810	258,218	1,684,735	778,100	2,462,835
Montana	588,000	950,000	190,000	633,000	47,500	39,396	910,000	475,000	1,385,229
Nebraska	1,187,000	950,000	190,000	633,333	47,500	79,529	950,362	475,000	1,425,362
Nevada	833,000	950,000	190,000	633,333	47,500	55,811	926,644	475,000	1,401,644
New Hampshire	828,000	950,000	190,000	633,333	47,500	55,476	926,309	475,000	1,401,309
New Jersey	5,903,000	4,931,100	986,420	3,288,067	246,605	395,501	4,916,593	2,466,050	7,382,643
New Mexico	1,074,000	950,000	190,000	633,333	47,500	71,958	942,791	475,000	1,417,791
New York	13,600,000	4,000,000	800,000	2,666,667	200,000	911,200	4,577,867	2,000,000	6,577,867
North Carolina	4,929,000	1,832,250	366,450	1,221,500	91,613	330,243	2,•9,806	916,125	2,925,931
North Dakota	481,000	950,000	190,000	633,333	47,500	32,227	903,060	475,000	1,378,060
Ohio	8,090,000	2,622,500	524,500	1,748,333	131,125	542,030	2,945,988	1,311,250	4,257,238
Oklahoma	2,371,000	1,111,300	222,260	740,867	55,565	158,857	1,177,549	555,650	1,733,199
Oregon	2,123,000	1,036,900	207,380	691,267	51,845	142,241	1,092,733	518,450	1,611,183
Pennslyvania	9,199,000	2,899,750	579,950	1,933,167	144,988	616,333	3,274,437	1,449,875	4,724,312
Rhode Island	767,000	950,000	190,000	633,333	47,500	51,389	922,222	475,000	1,397,222
South Carolina	2,558,000	1,167,400	233,480	778,267	58,370	171,386	1,241,503	583,700	1,825,203
South Dakota	519,000	950,000	190,000	633,333	47,500	34,773	905,606	475,000	1,380,606
Tennessee	3,685,000	1,505,500	301,100	1,003,667	75,275	246,895	1,626,937	752,750	2,379,687
Texas	12,038,000	3,609,500	721,900	2,406,333	180,475	806,546	4,115,254	1,804,750	5,920,004
Utah	1,076,000	950,000	190,000	633,333	47,500	72,092	942,925	475,000	1,417,925
Vermont	425,000	950,000	190,000	633,333	47,500	28,475	899,308	475,000	1,374,308
Virginia	4,615,000	1,753,750	350,750	1,169,167	87,688	309,205	1,916,809	876,875	2,793,684
Washington	3,545,000	1,463,500	292,700	975,667	73,175	237,515	1,579,057	731,750	2,310,807
West Virginia	1,394,000	950,000	190,000	633,333	47,500	93,398	964,231	475,000	1,439,231
Wisconsin	3,612,000	1,483,600	296,720	989,067	74,180	242,004	1,601,971	741,800	2,343,771
Wyoming	339,000	950,000	190,000	633,333	47,500	22,713	893,546	475,000	1,368,546

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 8 minutes.

Mr. KERRY. Mr. President, today, at a time when the American public is so angry about the Congress, the U.S. Senate has a choice to make—a choice for reform, or against it.

Everyone knows that something is wrong in Washington—that too often, the Congress is paralyzed and cannot do anything that matters to people.

It is obvious that a major factor in that paralysis is the way we raise our campaign funds. Every year millions of dollars flow to elected officials. A lot of it is big money, a thousand dollars at a time, from the wealthy, in a never-ending stream from people who want to make sure that when they talk, Congress listens.

It is obvious that a major factor in the anger directed toward Congress is the sense that once someone is first elected, opponents thereafter do not have a chance to raise the kind of money an incumbent can raise, with his ability to reward supporters for their contributions.

Ask any number of people what is wrong with the current system of congressional and Senate elections and most of them will tell you it is the incumbent's advantage in attracting and raising significant amounts of money from large contributors. In nearly all of the races, the incumbent has an enormous fund-raising advantage. Only a small fraction of the races are even competitive.

Our bill—the bill before us today—would change that, attacking the big-money and the incumbent advantage at the same time.

Under the spending limits of this bill, the nominees, incumbent and challenger, would have equal access to public funds. The nominees, incumbent and challenger, if they agreed to abide by them and to accept public funds and lower television and prices, would be barred from exceeding overall spending limits. The result would be a far more equal, far more competitive electoral system than we have today.

The bill, in effect, guarantees that both parties will have adequately funded nominees in almost every race. That means two candidates, with two messages, and a real choice for voters. That is democracy. That is real reform.

A challenger who knows he or she will be able to qualify for matching funds and who knows that the incumbent's expenditures will be limited to a certain amount is far more likely to attempt a race, and far more likely to succeed, than a challenger facing the rules of the game as they are played today.

Mr. President, it is very important to understand that it is the current system, not our alternative, that is most protective of incumbents.

Now some Republicans argue that public funds should not be used to finance election campaigns in our democracy. President Bush has made that very claim. This argument is nonsense; it is also hypocrisy. It is an argument, unfortunately, that has been made once again this week by President Bush.

The President would have us believe that it is wrong for us to use tax money to finance an election campaign—after he himself has done so in four successful elections, becoming the country's first $200 million campaign public finance man—the total in public funds President Bush has taken for his Presidential races.

I suppose if he really thought it is wrong, George Bush would refuse to take the money. But candidate Bush knows that President Bush refuses to acknowledge—this public funding, paid for through voluntary checkoffs on the tax returns of millions of Americans, has freed him and other Presidential candidates from the demeaning and dangerous occupation of having to so-

licit all of that money from private interests, mostly the wealthy.

Back in 1972, when Mr. Bush headed the Republican National Committee, the Nation saw firsthand what out-of-control solicitations of private contributions could do. The Committee to Re-elect the President raised corruption and influence-peddling to new heights. As a result, we voted to reform Presidential campaign financing in the same way we are now proposing to reform Senate campaigns. It has worked at the Presidential level; it can work for Congress.

What is most important to remember, and what the comments of the junior Senator from Kentucky indicate he would like us to forget, is that public financing is not politician-financing. Politicians will find the money for their races somewhere; that is precisely the problem. What the public is paying for through public financing is a cleaner, more accountable, less corruptible political system. It is paying for a better democracy. Anyone surveying the political scene today who does not believe that this should be one of our highest priorities simply does not understand what is happening in America, or does not understand how important it is to restore deserved trust and faith in our Government.

Under this conference report bill, we will cut PAC contributions in half, end sewer money contributions, and finally see an end to the never-ending spiral of the chase for big money that has so damaged public perceptions of this institution.

This bill is not perfect. It does not move as far from the current system as I would like. I would have liked to see PAC money removed from the system entirely, as in the bill I filed last year. I would have liked to see a system of full public funding to remove all of the big-time money from the system. But this bill still gets rid of the worst evils of the current system—unrestrained, the-sky-is-the-limit campaign fundraising and spending, and the influence of big-time big-money.

It is time to establish a system of spending limits that substantially will curb the degree to which candidates must run to the rich like pigs to a trough.

Twenty-five years ago, Robert Kennedy warned that "we are in danger of creating a situation in which our candidates must be chosen from among the rich * * * or those willing to be beholden to others." I fear that we are closer to that point than ever before.

We no longer can afford to tinker around the edges of the problem, engage in a protracted debate that resolves few of the real issues, or protect our own parochial reelection campaign interests. The time has come to pass a law that limits campaign spending and replaces special interest campaign dollars with untainted public funds.

The time has come to create a better, more accountable democracy. The time has come for action to clean up our political system. The time has come for President Bush to put down his veto pen and lead this country forward, to apply the same standard to Congress he long has applied to himself as a recipient of $200 million in public financing, and to seize the opportunity to approve and sign comprehensive campaign finance reform this year.

Mr. President, shortly before I began my remarks, the junior Senator from Oklahoma [Mr. NICKLES] addressed the Senate. I want to respond briefly to his comments. This bill does not accord special treatment to New Jersey and other States for the sake of giving them, or persons running for office in those States, some advantage. The provision to which Senator NICKLES refers is an effort to treat New Jersey equitably. The fact is that the State of New Jersey has the highest priced media markets in the country. To advertise by television or radio in New Jersey you do not have to buy just the New York City media market, one of the Nation's most expensive, you also have to buy the Philadelphia market, which also is very expensive. Failure to adjust this legislation to take account of that reality would be egregiously inequitable.

Looking more generally at the arguments made against this bill, what is really astounding is the duplicity of the arguments. The senior Senator from Oklahoma [Mr. BOREN], who has labored so tirelessly to enact this bill, correctly has said that the fundamental objection of the bill's opponents is an objection to setting spending limits. What is especially interesting is to hear colleagues like the junior Senator from Oklahoma, Mr. NICKLES, talk about taxpayer funding of campaigns and how evil it is.

Not one of the Members of the Republican Party has criticized President Bush for spending $200 million of taxpayers' money to get elected Vice President and now President of the United States. He has spent more taxpayer money on campaigns in the course of his career than any other person in the history of this Nation. I have not heard even one Member of the Republican Party on the floor criticizing him for that or suggesting that the Presidential system of spending limits and public financing of campaigns does not work.

In fact, our esteemed former colleague, Senator Paul Laxalt of Nevada, made it very clear when he left the U.S. Senate that there was no greater problem facing this country. Senator Laxalt, who was a prominent Republican leader and national chairman of the Reagan Presidential campaigns in 1976, 1980, and 1984, said, and I quote:

> There's far too much emphasis on money and far too much time spent collecting it. It's the most corrupting thing I see on the congressional scene. * * * The problem is so bad that we ought to start thinking about Federal financing of House and Senate campaigns. It was anathema to me. * * * but in my experience with Presidential campaigns it worked—

He was, of course, referring to public financing—

and it was a breath of fresh air.

I heard my friend from Oklahoma, Mr. NICKLES, talk about this legislation providing "money for politicians." What a terrible thing it is to be a politician in America today. And, boy, you can really cast a curse on a piece of legislation by saying it is to benefit politicians.

Mr. President, that is a specious argument. This legislation is not to benefit politicians. It is to benefit the people of this country—by liberating the politicians of this Nation from the corrupting system of fundraising that exists today.

If my colleague thinks that our existing system of political fundraising in America works to the benefit of the citizens and taxpayers, all you have to do to obliterate that fallacy is to examine the savings and loan crisis. It will have cost America far more money than we would ever spend in scores of years of public financing of elections through a structure such as the one contained in this legislation. Billions of dollars are wasted on various tax havens, various giveaways, various useless programs year after year because special interests have the ear of the Congress. The American people are fed up with it.

They want their democracy back. They want their country back. They want their Congress back. And the way to do it is to pass this bill to reform the process, set limits on campaign spending, and equalize the capacity of everybody to run.

It was not long ago that we spent large sums of money to subsidize Federal elections. Nobody complained. We had a tax credit, a maximum of $50 for single returns, $100 for joint returns, for political contributions. For years the U.S. Congress, including most of my Republican colleagues, supported this tax credit which cost the Federal Treasury $528 million a year. I heard no complaints.

When we repealed the credit in 1986, it was not because of excited complaints from Republicans about supporting election campaigns with Federal dollars; it was because there was an imperative to repeal tax expenditures to cover the costs of tax simplification and rate reduction. Repeal of the campaign contribution tax credit had nothing to do with philosophical questions about tax dollar support of campaigns.

If we want to go to the root of why campaigning today is so expensive, it is that we have become collectors of

money for the broadcast media. That is essentially all we do. We go out and indebt ourselves to various people and interests in the Nation and we turn the money over to the broadcast media.

All over-the-air broadcasters are licensed by the Government of the United States. Individuals and corporations are granted permission to use the airwaves that are owned collectively by the American people—in order that the licensees can go out and make a profit.

Don't mistake my comments. I am all for fairly won profit. Free enterprise and the profit incentive have made significant contributions to our standard of living. But there is something truly, bizzarely absurd about establishing a system of broadcast spectrum licensure, and then regularly, repeatedly, as candidates for Federal elective office, to go into debt to special interests in order to collect millions of dollars just to turn over to those to whom the Government has granted those lucrative broadcast licenses. This perverted process cheapens and diminishes our democracy. We ought to stop it.

The legislation we are considering today will enhance our democracy by minimizing the need of politicians to raise the money to be turned over to the broadcast media, and the process of becoming indebted for so doing.

There is not one of us serving in this institution who cannot find innumerable parts of our legal code that serve one special interest or another. Many of us—most of us—understand very well exactly what the process of fundraising is and how it works, and what gets attended to in the Senate as a consequence of it.

The American people want reform. It requires no genius to trace the origins of the efforts to "throw the rascals out" to term limitation movement and the gridlock in Washington. And, in my judgment, the gridlock often is a logical consequence of the way we finance our election campaigns and our method of fundraising.

When you get two powerful interests lined up on opposite sides of an issue, the easiest thing to do for those who have to raise money from those interests is to do nothing. Do not make a decision between the two. That is a recipe for gridlock, and we have exactly that.

I believe fervently—and I believe many others who serve here also believe—that the job of a United States Senator is not to represent one State but yet to spend time traveling to many other States asking for money weekend after weekend during the course of a 6-year term. We and our constituents would be far better off if that time were spent listening to and talking to those constituents and devoting ourselves to our legislative responsibilities.

Mr. President, the choice we have today is a choice for reform, urgently needed reform. I hope nobody will be hoodwinked by the opposition to spending limits and public financing of campaigns. We have heard from opponents of this legislation in the last several days. This bill should be overwhelmingly passed, and enthusiastically signed by the President.

The PRESIDING OFFICER. Who yields time?

The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I yield 5 minutes to the Senator from Missouri.

The PRESIDING OFFICER. The Senator from Missouri is recognized for 5 minutes.

Mr. DANFORTH. Mr. President, we are missing the point if we think that the financing of political campaigns is the problem with America's political system today. And we are missing the point if we believe that a campaign finance bill is going to fix American politics.

The problem is not the financing of political campaigns. The problem is the nature of political campaigns. What good does it do to change the financing mechanism if the candidates are going to talk in 30-second sound bites about trivial matters?

What is not being debated today in any forum, whether it is in the commercials or in the speeches, is the issue of the deficit in the Federal budget, what candidates intend to do about it, and the reason why candidates are evading the principal issue is that it is just too tough to deal with.

It is too tough because it tends to offend the American people to talk about practical matters to reduce the size of the Federal deficit.

The issue is not special interest groups located in Washington who are paying $2,000 for a $5 million election. That is not going to corrupt anybody. The issue is that all of us, all Americans, are being treated as though they are no more than members of interest groups.

The case in point, I suggest, occurred just 3 weeks ago. Three weeks ago, we will remember, there was a modest proposal on the floor of the Senate to deal with the problem of the Federal deficit. It was offered by Senator DOMENICI. The proposal by Senator DOMENICI was, very simply, to get some handle on the entitlement programs to provide some sort of discipline for dealing with the problems of the entitlements.

The immediate reaction by the majority leader—and it was a very astute reaction—was to announce he was prepared to offer a series of amendments, beginning with one amendment to exempt the disabled veterans and he was going to go from there to the elderly and from one group to another.

I suggest the corruption in American politics is not that there are interest groups and lobbyists here in Washington but that we who are in politics are dealing with all of the American people as though they are no more than members of interest groups. That is what is preventing us from dealing with the problem of the Federal deficit.

The PRESIDING OFFICER. Who yields time?

The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I yield 5 minutes to the distinguished Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized for 5 minutes.

Mr. GRAMM. Mr. President, it has been my privilege to serve in the Senate for 8 years, and in the 8 years I have been in the Senate, there have been few bills that have come to the floor of the Senate that have had no redeeming value. This is one of them.

First of all, I think it is important to know that we do not have just one campaign reform bill here. We have two bills. The Democrats in the Senate wrote a bill that was aimed at tilting the process toward themselves. The Democrats in the House wrote a bill that was aimed at tilting the process toward House Democrats. When they got to conference, Democrats could not agree, and so, as a result, for the first time in my 8 years in the Senate, we have a Federal campaign bill that applies differently to Members of Congress, based on which side of the Capitol they serve on.

There is a difference in the way we treat PAC's. In fact, in a great moment of zeal here, we voted to eliminate PAC's. But did the final bill eliminate PAC's? No. PAC's are back. But you have one set of PAC rules for the Senate and another set of rules for the House.

In regard to limits on expenditures, there is no coordination whatsoever between the two Houses. In terms of the use of taxpayer money to fund elections—two totally different systems.

This is, at its very root, a partisan measure that was aimed to benefit Democrats, depending on their circumstances. It is not a unified election law, and deserves our laughter but not our vote.

Second, in an era where everybody in Congress and America is talking about perks, this bill represents the greatest congressional perk yet to come along. It is ridiculous when we are debating putting pay toilets into the Senate to be opening up a massive new perk that will let Members of Congress who have just shut down the House bank open up a campaign bank to reach into the taxpayers' pocket to take the taxpayers' money. I cannot improve on Thomas Jefferson on this subject.

On this subject Thomas Jefferson said:

> To compel a man to furnish contributions of money for the propagation of opinions which he disbelieves and abhors is sinful and tyrannical.

I am absolutely opposed to using the police power of government to take taxpayer money to spend it on trying to elect people that the taxpayer does not support.

I think those who own television stations in America will be shocked to find out that our colleague from Massachusetts believes that the public owns those television stations. I see no logic to giving politicians cheaper rates to advertise than those given to auto dealers or anyone else. I see no logic to letting politicians mail at the cheapest rates. That represents a perk that is unjustified and it represents an exploitation of the American taxpayer. And I am not for it. Those who are voting for this bill are voting for the largest congressional perk in the history of our country.

Let me talk about fundraising limits. It is easy for me to understand why some people are for limits on fundraising.

As best I can figure, the Democratic Senatorial Campaign Committee thus far this year has raised $2 million from 4,000 donors with an average contribution of about $500.

The Republican Senatorial Committee, which I head, has raised $17 million from 314,000 donors with an average contribution of $54.05.

Our colleagues on the other side of the aisle want taxpayer funding because the American people will not voluntarily give to their campaigns. I reject that notion, and the American people will as well.

At the very time we want political parties involved in politics, this bill limits the ability of political parties to be involved but it does nothing effective to keep special interest groups from being involved. I think that is a major flaw.

Finally, this is a partisan measure that deserves to be defeated. I urge my colleagues to vote against this new congressional perk. It is outrageous, given the state of affairs in America, given the budget deficit, given the abuses that have occurred in Congress for us to be voting today on opening up a campaign bank to fund Members of Congress, to fund politicians, at the taxpayers' expense at the very moment we are trying to do something about the abuses of the House bank. I think our choice is clear here. I urge my colleagues to vote no on this bill.

The PRESIDING OFFICER. Who yields time? The Senator from Oklahoma.

Mr. BOREN. Mr. President, I yield 5 minutes to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 5 minutes.

Mr. DODD. Mr. President, first let me commend the Senator from Oklahoma and the others who have worked so tirelessly over a number of years, to bring us so close to comprehensive campaign finance reform.

Mr. President, in the 1990 election cycle, $445 million was spent on congressional campaigns. The system is broke. And the truth is that if we do not fix this problem, it is going to absolutely destroy our system of government.

Americans are fed up with the present campaign system. Recent elections have been marred by low voter turnout. Throughout the Nation, there is continuing dissatisfaction with Congress, the President, and politics and politicians in general. Clearly the citizens of this country are losing confidence in our institutions of government.

And no wonder. All of us know the reality of running for reelection. I know what it is like. Day after day, event after event, Members of Congress scrape around for a dollar here and a dollar there, when that time could be better spent working on the critical problems that face this Nation.

And the President is certainly not clean in all this, though he might like us to believe otherwise. Just the other night, he raised $9 million at $1,500 a clip at an exclusive "President's dinner."

How many hours were spent chasing those dollars? How many arms were twisted in order to get every special interest group imaginable to belly up to that feast at the trough?

This is why Americans are angry. Most cannot afford to spend 3 weeks' salary to attend a Presidential supper.

Mr. President, many of us have been trying for years to rehabilitate our campaign finance system. Last year, the Congress passed the ban on honoraria which I first introduced in 1988. As a result Senators cannot accept speaking fees from special interests.

And today's debate gives me a sense of deja vu. In 1985, I introduced the Senate Campaign Finance Reform Act but that bill was not enacted into law. Many of us also supported the campaign reform legislation that was introduced during the 100th Congress—legislation that was filibustered by our Republican colleagues. And again in the 101st Congress we fought unsuccessfully for campaign finance reform.

But today we have another chance. And so I hope we will do the right thing by approving the conference report before us.

Because this legislation deals with all methods of campaign finance, it will go a long way toward addressing the public's concerns and improving our election system. Anything less—any piecemeal approach—will only lead to more problems.

The provisions of the act relating to spending limits are critically important. The spending limits will help level the playing field and control the excessive costs of campaigns. Under present law, a congressional candidate must raise as much money as possible because there is no satisfactory way to ensure that an opponent will abide by a spending limit.

The act will provide incentives for candidates to cap spending. With a cap in place, challengers and incumbents will have an equal opportunity to reach the voters. Furthermore, congressional incumbents can minimize the amount of time they devote to fundraising—time which would be better spent dealing with the major issues which confront our Nation.

Furthermore, the act deals with the problems caused by what is referred to as soft money—money raised and distributed by national and State party committees. It would prohibit the use of soft money for activities which may affect a Federal election.

Perhaps most importantly, this legislation will limit involvement by political action committees. It limits both the amount that PAC's can contribute to campaigns and the aggregate amount that candidates can accept from PAC's.

In fact, Mr. President, had Senator BOREN's legislation been adopted 3 years ago and been in effect in the 1990 legislative cycle, we would have reduced the involvement of PAC's by 53 percent in the last election cycle.

Mr. President, is this a perfect bill? Absolutely not. Is it a bill based on compromise between the House and the Senate. Yes.

But this bill is a concrete step we can take to clean up the election process and help restore some of the confidence in our political institutions.

Americans want a change in this country. This bill represents real change. One could sit here and quibble and nitpick and provide one little argument after another against it. But if we do not pass this legislation, we are going to continue to lose the people's confidence.

So, Mr. President, I have two hopes today. First, I hope that we will pass this legislation.

Second, I hope that the President will abandon his veto threat and work with us on this legislation, which can do so much for the American public.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, before I yield 2 minutes to the distinguished assistant Republican leader, with reference to the extraordinarily successful President's dinner 2 nights ago, I ask unanimous consent there be printed in the RECORD an article in the Washington Post of April 9 about the Democrats' similar dinner earlier this month which unfortunately was not nearly as successful.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Apr. 9, 1992]

DEMOCRATS' BALMY MOOD: THE UPBEAT CONGRESSIONAL FUND-RAISER

(By Roxanne Roberts)

And the Democratic candidate is: Alfred E. Neumann!

Just kidding. It looks like Bill Clinton has the party nomination locked up and there was positively a "What, me worry?" atmosphere at last night's Democratic Congressional Dinner at the Washington Hilton.

Maybe it was the balmy spring day, maybe it was Tuesday's primary results, maybe it was the open bar—but 1,800 party loyalists who brought in $2.5 million for Democratic Senate and House races at the annual black-tie fund-raiser were in an awfully good mood.

"Well, we raised a lot of money—more than people expected—and Clinton won four primaries yesterday, and Bush is at, what . . . 40 percent, 38 percent popularity?" said West Virginia Sen. Jay Rockefeller. "That's the making of a nice dinner."

"I think Democrats are always upbeat," said House Majority Leader Dick Gephardt with a smile. "It's a beautiful spring day, the blossoms are out. Why shouldn't you be upbeat?"

Well, there's the recession and voter anger and the House banking scandal and that nasty Democratic habit of fratricide—for starters.

"We've had our share of problems in the Congress in the past months, but I've never believed you get anywhere by being negative and downcast," he said. "You only get somewhere by fighting back and being strong and being positive."

And boy, were they positive. None of the Democratic candidates attended the dinner. Bill Clinton was resting his voice, non-candidate Paul Tsongas was considering reentry and Jerry Brown was having an out-of-body experience somewhere. Probably just as well. Everyone else, including the top Democratic leadership, was absolutely oozing goodwill and confidence.

"I think it's a mixture of belief that we have been good for the country so many times and that all the wheels turn," said Lady Bird Johnson. "It's just a natural feeling."

The former First Lady, making a rare Washington appearance, accompanied her daughter, Lynda Robb, and son-in-law Sen. Chuck Robb, the Democratic Senatorial Campaign Committee chairman.

"I think Democrats care about people," said Lynda Robb. "That's a very optimistic feeling."

Whether people care about the Democrats is another question. Tuesday's exit polls said 65 percent of Democrats and 50 percent of Republicans who voted said they had doubts about their candidate.

"There's the traditional desire for something other than what you have," said a calm Sen. Robb. "It's a natural human instinct that is universal. You can see it's happening on both sides of the equation. But the nominees are clear and everyone will soon rally around their respective flags and we'll have an election in November."

With Clinton, presumably, as the nominee. There was no talk of any other candidate; no late entry into the race. What lurks in the heart of Gephardt or Sen. Lloyd Bentsen remains a mystery. Bentsen kept quiet; earlier in the day, Gephardt stopped short of endorsing Clinton but dismissed talk of a brokered convention.

"The last brokered convention was in 1924," said former Democratic National Committee chairman Chuck Manatt. "One hundred four ballots and we lost rather handily to Calvin Coolidge."

Besides, the dinner was to raise money for congressional races—assuming the Democrats can get their guys to stay in office. Colorado Sen. Tim Wirth announced Tuesday he was resigning; Robb spent yesterday on the phone with the rest of the gang. "I can't afford to lose any more senators in my class of '92."

Rep. Vic Fazio, chairman of the Democratic Congressional Campaign Committee, said the House banking scandal hurts—but not just his party. "I think it's going to hurt Congress and it's going to hurt incumbents. But we've seen some polls that show that the wrath—and there is some—is fairly uniformly applied."

So what's a few setbacks? San Francisco real estate developer Walter Shorenstein, a megabucks Democratic fund-raiser for more than 20 years, is still pouring money into the Democrats. "My very nature is to be optimistic," he said. "I wouldn't be in the kind of business I'm in unless I was optimistic. When you look ahead, you have a tremendous feeling that so much is needed and the best way it can be done is through the Democratic Party."

No wonder DNC Chairman Ron Brown was in such a good mood. Okay, he's always in a good mood, but he was especially cheery last night.

"I have said for a long time that we enhance our chances of beating George Bush in November if we have an early nominee so we can focus all of our time, attention, resources and energy on defeating Bush rather than beating up on each other," he said, smiling broadly. "The closer we get to that, the happier Democrats are."

"People are saying, 'This could be the year,'" agreed Colorado Rep. Pat Schroeder. "It could be the year. Absolutely. We're thinking positive."

Or as Fazio put it, "After 12 years of the same song out of the White House, we think the American public is looking for a new tune."

"One of the great songs is 'Happy Days Are Here Again'" whistled West Virginia Sen. Robert Byrd. "No matter what party you're in, I think that's just a great song."

It must be spring.

Mr. MCCONNELL. Mr. President, I yield 2 minutes to the distinguished Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 2 minutes.

Mr. SIMPSON. Mr. President, I want to commend our floor manager, Senator MCCONNELL. He had done a superb job. He has learned this issue and mastered, it and presents it on behalf of those on our side of the aisle with great skill and ability. I think we should also heed what Senator DANFORTH said a few minutes ago, and I wholly concur with his remarks.

Mr. President, I rise in strong opposition to this hypocritic and fatally flawed conference report. This has nothing to do with reform. It is a cynical, election year attempt that stacks the deck in favor of Democrat incumbents in the House and Democrat incumbents in the Senate. In fact, this legislation sets up different rules in each body for what constitutes reform in the House and Senate. At a time when the voters are demonstrating their desire for change, the Democrat authors of the bill have decided to create a new fortification for their fortress of incumbent status.

This legislation calls for public financing, which is bad enough, but insult is added to injury because it does not include any way to pay for it. It is estimated that should this conference report become law—it would cost $300 million in the 1994 election cycle alone. At a time when the House bank and House Post Office scandals are tainting this entire institution—can we seriously be considering asking taxpayers to subsidize the costs of our campaigns? As it applies to the House, this conference report would give members who spend less than $600,000 an additional $200,000 check from the Federal Treasury for their next election.

Under the pay as you go restrictions of the budget act, domestic spending increases must be deficit neutral. The conference report here says that we will just pay for this later. It also includes some nonbinding language that says the alleged funding source will not come from a tax increase, or from cuts in other programs, or from an increase in the deficit. I have more confidence in the intelligence of the American people than to ask them to believe that.

An area in desperate need of true reform is the level of PAC contributions in elections. Republicans continue to call for the elimination of special interest PAC's, the elimination of soft money or sewer money as it is called—and the reduction of out-of-state money which a candidate can raise from individuals. American voters have become disgusted with the power of special interests, and the Democrats who control Congress receive two-thirds of all of the PAC money contributed. It is no wonder that this legislation revives the alternative of PAC financing which Republicans, along with some Democrats, joined together to kill in the Senate version of the bill.

I also oppose the spending limits which will effectively stop challengers from raising enough money to attempt to level the playing field that currently favors incumbents. The Senate took the right step in eliminating the incumbent perk of taxpayer-funded mass mailings for an entire election year. The House has refused to follow suit, and this is certainly unacceptable. The House is telling challengers that they cannot spend more than $600,000 in an election, but incumbents can spend that much plus free election year mass mailings, plus all the other perks of incumbency. If this isn't a stacked deck, then what is?

If there was ever a scandal in American politics, unlimited and unreported special interest soft money is it. The Republicans would ban all soft money from all special interest groups. The

Democrats claim to have solved the soft money problem in this bill, and if you listen to the debate without looking at the text of the bill, you would think that soft money has been banned. In reality union soft money, that money used most frequently by our Democrat friends, is not banned—in any way.

When Democract politician's give special treatment to one interest group, labor unions, by allowing them to set up phone banks on the outskirts of towns and engage in character assassination of candidates—then we have a real problem. Furthermore, all of this is funded by contributions that aren't even required to be disclosed to the Federal Election Commission. This is a terrible abuse of the system that the authors have failed to correct in the conference report. It is sewer money and no matter how you dress it up—it makes this conference report olfactorily challenging—using the vernacular of political correctness. But it still stinks—no matter how you might want to phrase it.

The President said he would not sign a bill that contains public financing, spending limits, and that treated the two bodies differently. This bill does all three. A real triple play. Since no effort was made in any way to address the concerns of the Republican conferees, and since the Democrats are intractable, this bill will never become law. But that has never been the intention of it. Instead, the game is to throw this one up to the President for a veto; have it sustained; and then make hysterical campaign ads denouncing the President for failure to reform the system. It is time to stop this plain foolishness. I urge the rejection of this conference report. Maybe when we are not in an election year, the majority party in Congress will be more reasonable and thoughtful in helping us to craft a real reform package.

The PRESIDING OFFICER. Who yields time?

Mr. BOREN. Mr. President, I yield 1 minute to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 1 minute.

Mr. EXON. I thank my friend. Mr. President, as my colleague from Oklahoma knows very well, I will simply cite the fact that this Senator has always been concerned about general taxpayer financing of campaigns. In the CONGRESSIONAL RECORD on May 23, 1991 on page S. 6536, there is an amendment offered by this Senator, who worked very closely with the Senator from Oklahoma on this. I am against taxpayer financing of campaigns and he knows that.

I have been listening to comments from the other side that this allows general taxpayer financing of campaigns. I think it is a smokescreen for those on that side who fundamentally want no limit on the amount of money that can be used or raised to spend on campaigns. I am against that.

Can the Senator from Oklahoma, my friend, who I have served as Governor with, assure me the thrust of the Exon amendment is still a part of this bill?

Mr. BOREN. Mr. President, I will be happy to respond to my colleague. We can look at section 902 of the conference report, and I quote it:

"It is the sense of the Congress that subsequent legislation effectuating this Act shall not provide for general revenue increases"—that means general taxes on the American people—"reduce expenditures for any existing Federal program, or increase the Federal budget deficit."

I ask unanimous consent to print that section in the RECORD and also to print in the RECORD pages 47 and 48 of the report of managers.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

(b) SENSE OF CONGRESS.—It is the sense of the Congress that subsequent legislation effectuating this Act shall not provide for general revenue increases, reduce expenditures for any existing Federal program, or increase the Federal budget deficit.

CONFERENCE SUBSTITUTE

The Conference agreement does not provide for any source of funds to pay for the benefits contemplated under Title I. Since the conference vehicle is a Senate bill, it would violate Article 1, Section 7 of the United States Constitution which requires that all bills which affect revenues must originate in the U.S. House of Representatives. Consequently, the Conferees have omitted any statutory language linking the establishment or administration of any account to the United States Government.

The Conferees have adopted the authorization approach of title III of the House amendment. Section 902 of the Agreement specifies that none of the provisions of the conference agreement shall be effective until the Congress enacts subsequent legislation effectuating this Act. This provision prohibits any estimated costs of the bill from being counted towards the pay-as-you-go scorecard for sequestration purposes. Furthermore, the conferees intend that this provision creates an open-ended authorization framework for campaign finance reform. And that designating the source of financing is an issue to be decided in subsequent legislation.

The Conference agreement also provides for a Sense of the Congress resolution that subsequent legislation effectuating this act shall not provide for any general revenue increase, reduce expenditures for any existing federal program, or increase the federal budget deficit. The Conferees believe that this Sense of the Congress approach best reflects the desire of both Houses to avoid the commitment of public resources to financing any part of Congressional campaigns.

Mr. BOREN. Mr. President, let me indicate the report of managers accompanying the conference report indicate since the conference vehicle is a Senate bill, it would violate article I of the Constitution, section 7, which requires that all bills affecting revenue originate in the House of Representatives. Consequently, the conferees have omitted any statutory language linking the establishment or administration of any account to the U.S. Government. But we did then adopt the sense-of-the-Congress statement which I just quoted which indicates that it is not our intent to use general revenues to finance this bill. So I would agree.

I know the Senator's long interest in this matter of not burdening the general taxpayers additionally to finance this program. I would say that is not the intent of this piece of legislation.

Mr. EXON. I thank my friend from Oklahoma.

The PRESIDING OFFICER. Who yields time?

Mr. BOREN. Do we have 1 additional minute remaining on this side?

The PRESIDING OFFICER. The Senator from Oklahoma has 1 minute remaining.

Mr. BOREN. If it is agreeable to my colleague, we will complete action on this side by yielding 1 additional last minute to the Senator from Florida.

Mr. MCCONNELL. How much time do I have?

The PRESIDING OFFICER. The Senator has 10 minutes and 20 seconds.

Mr. MCCONNELL. That is fine.

Mr. BOREN. I yield the remaining time on this side to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is yielded 1 minute.

Mr. GRAHAM. Mr. President, I express my appreciation to my colleague from Oklahoma and commend him for the outstanding work he has done for many years on this important issue.

Mr. President, we have had much discussion about what is the pathology of American politics, why have we arrived at the point we have today in which there seems to be so much public cynicism, distrust, a lack of an affinity between the people and their Government. I believe that a substantial part of that reason goes to the nature of our current campaigns and is more than just the amount of money or the way in which the money is raised. It is what the money does to that special relationship between the people and their Government.

The tremendous amount of money has caused many people to equate access to Government with money for political purposes.

It has caused the communication between the public and their elected representatives to be confined to packaged 30-second television spots. To that end——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GRAHAM. Mr. President, if I could ask for an additional 30 seconds.

The PRESIDING OFFICER. The Senator from Kentucky has 10 minutes and 20 seconds remaining.

Mr. MCCONNELL. I will be happy to yield to the Senator from Florida 20 seconds.

Mr. GRAHAM. To that extent, Mr. President, I would like to point to one particular provision of this bill which I think is especially salutory, and that is the provision requiring four Presidential debates and one Vice Presidential debate as a condition for the continuation of the present program of public funding of Presidential elections.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GRAHAM. I thank the Chair.

The PRESIDING OFFICER. The Senator from Kentucky [Mr. MCCONNELL] is recognized.

Mr. MCCONNELL. Mr. President, once again we have reached the end of a lengthy debate on a very, very partisan issue. I have noted with some interest in the course of the debate charts and other observations about how this particular bill would benefit challengers.

The first observation I would make is it seems to me that is rather curious coming from the majority which, after all, has the most incumbents. And so I think it is reasonable for people to be somewhat skeptical about the majority's arguments that this measure would help challengers.

In fact, Mr. President, if you look out at the academic world, those who do not have a partisan ax to grind one way or the other on the issue of these kinds of bills—that is, spending-limits-type measures—I defy anybody to name a credible academic anywhere in America, Republican or Democrat, who believes that a spending-limit bill benefits challengers. In short, the experts do not believe that at all.

So let us at the outset put aside the notion that this is some kind of generous gesture on the part of the majority to help all of those Republican challengers out there around America running for office. It clearly is not, and the people who do not have an ax to grind know it is not.

So what does the bill do, Mr. President? No. 1, it clearly does not address the one issue that the American people would like us to address, and that is the question of special interest influence or contributing to Congress. I was the first to advocate, some 4 years ago now, elimination of political action committees altogether. Last summer, the day before this measure was to come to the floor, the majority adopted that position, presumably in order to avoid having to vote on the question of eliminating PAC's.

But, aha, Mr. President, the PAC's are back. In this conference report, on which we will vote at 3:30, the PAC's are back. Not only did the House not do anything about the PAC's, the PAC's are back in for the Senate. So it is pretty clear that the Congress is unwilling to wean itself from this type of contributor that overwhelmingly supports people who are here regardless of party. PAC's love incumbents.

In addition, Mr. President, there has been a lot of talk about sewer money. There has not been much, however, in the way of definition. The majority defines sewer money as anything the parties do effectively in terms of raising money and influencing elections.

David Broder, probably the most eminent political commentator in the country, in an article last summer, made his principal argument against this bill, that it restricts the activities of parties. Parties are the one entity, Mr. President, the one entity that can be counted on in the American political system to support challengers, and this bill nails the parties. Why? Because the Republican Party has done a better job of raising money from a whole lot of people—as Senator GRAMM pointed out, 314,000 contributors this year to the Republican senatorial committee at an average of $54.

Because we have done that better, they want to take that away from us, and they do not want to address the real sewer money in politics. The real sewer money, Mr. President, are those hiding behind the Tax Code—labor unions, environmental groups, and all the rest hiding behind the Tax Code—actively involved in the political process, almost all of which are operating on behalf of Democrats and not Republicans. And this bill does not do anything to even disclose, much less limit, the activities of these tax exempt groups. That is the sewer money, Mr. President; that is the sewer money. This bill does nothing about sewer money.

In addition, I think it is important occasionally to make reference, when we are talking about tampering with people's first amendment rights, to the Constitution of the United States. We are dealing here, Mr. President, with the first amendment. The Supreme Court made it very clear in the Buckley case that spending is speech, and that it is constitutionally impermissible to dole out speech in equal amounts to candidates: Candidate A, you can only have this much speech; and candidate B, you can only have this much speech; and if there is somebody else who qualifies, you can only have this much speech.

You cannot quantify speech in America. And so the Court said if you are going to seek to quantify speech, it has to be truly voluntary. And that is what the Presidential system is. Why have people like George Bush accepted spending limits in public finance and people like Ronald Reagan, both of whom despise the notion? It is generous. It is an enormous entitlement program set up in such a way that it is incredibly enticing to all candidates, but you do not get punished if you do not accept it. One candidate had the courage to say: "I will not accept public funding"—John Connally. He did not get many delegates, but he did not get punished. Nothing bad happened to him.

But under this bill, if you are so brash as to say: I am not going to limit my speech; I am going to go out and speak as much as I want to, all kinds of bad things happen to you. No. 1, you lose your broadcast voucher. No. 2, when you speak too much and get above the limit, the taxpayers subsidize your opponent. You are punished for speaking too much under this bill.

The other absurd aspect of this bill, Mr. President, that I think is interesting, is how the Treasury is used to oppose independent expenditures. Let me give you a hypothetical, Mr. President. Let us say—and this is not too farfetched, by the way—that David Duke is running in Louisiana, and let us just pick a group. Let us say B'nai B'rith decided it was in the best interests of America to stand up to David Duke, to oppose him, and so they went into Louisiana and made independent expenditures against David Duke. Now, most Americans would say that is a perfectly appropriate thing for B'nai B'rith to do.

Aha, but under this bill, David Duke will be able to reach into the Treasury and get my tax dollar and your tax dollar to combat B'nai B'rith. This is absurd. This bill is a turkey, and this bill is clearly unconstitutional.

Now, if per chance anything like this ever becomes law—and it is not going to, as you know. The President is going to veto this the minute its hits his desk. It is going to be sustained—it is a comfort to this Senator to know this monstrosity could not survive the courts anyway. So it is clearly unconstitutional.

Finally, let us talk a little bit about public funding. The President has been criticized for saying he is against this bill while he has accepted public money for Presidential races. Mr. President, that is about like saying that because the House has a bank, the Senate ought to have a bank. That is how ridiculous that is. The worst thing to do would be to extend this public funding monstrosity further.

As this check points out pretty well, we have "insufficient funds." This is a large rubber check on the Treasury to pay for our campaigns.

The other thing you have to remember, Mr. President, when you reach into the Treasury, all that money has to be audited, and pretty soon the FEC would be the size of the Veterans' Administration, with auditors crawling all around America, looking at all of these reports, all of these fringe candidates like David Duke and Lenora Fulani reaching into the Treasury to fund their campaigns.

This will be a massive program, $250 million to $300 million in the beginning. But just wait until all the fringe candidates find about it. It is going to grow like kudzu, Mr. President—grow like kudzu.

So make no mistake about it, at a time when the American public would really like to deal with something real, like the deficit, we are here contemplating writing a big rubber check for us. Mr. President, because it is unconstitutional, because it does nothing about special interest contributions, because it does nothing about sewer money, because it wastes an enormous amount of the taxpayers' money, I respectfully urge my colleagues to oppose this turkey one more time.

Mr. SEYMOUR. Mr. President, I rise today to oppose the conference report to S. 3, the so-called Congressional Campaign Limit and Election Reform Act of 1992. My opposition is simple: This is not reform. No Member of Congress, after reading this conference report, can look at an average American with a straight face and call this bill "reform."

The political philosopher Machiavelli once said that it is important for politicians to appear to do good, rather than actually do good itself. The American people have already seen sad examples that the spirit of Machiavelli is alive and well. They saw it when the Senate Democrats tried to ram through a crime bill to create the appearance that they were hard on crime when in fact their watered-down version was and is crime.

We saw it again when Democrats in Congress tried to force through a so-called economic growth proposal that in reality would shackle struggling small business with high taxes.

Well, here we go again. Those in the majority party who support this conference report do not want reform today. They want yet another issue. This report was drafted with no real participation by the Republican members of the conference committee. The Democrats know this report will be vetoed. They are counting on it. They know this bill is far, far short of the support needed to override the President's certain veto.

They accept that. It is all a part of an attempt to create the appearance that they are for reforming our campaign finance system when in reality they are for incumbency protection and getting the taxpayers to finance it.

I am confident the American people will look beyond appearances and focus on reality. And the reality is that this conference report will do more to further the American people's already hostile belief that we in Congress are not serious in enacting accountable measures that put an end to nonstop campaign money grabs, and excessive special interest contributions. Rather than a step forward, this conference report is a feeble sidestep that dodges the tough choices that must be made to achieve real reform.

What do I mean by tough choices? Tough choices mean a system that reduces the advantages of incumbency, and provides uniform, equitable rules across the board for all Members of Congress.

Tough choices mean disclosure of soft or sewer money, but not just by the political parties, but other special interests, including labor unions.

Tough choices mean real, voluntary spending limits that are fair and equitable for all Members of Congress.

Finally, tough choices mean not to impose the cost of campaign finance reform on the backs of the American people.

It is easy to see that this conference report is lacking in tough choices, making it all but certain that the challenge of reform rests with the 103d Congress. Let me cite just a few examples, Mr. President. First, what we really have are two campaign finance bills. One for the House, one for the Senate. The report avoids uniform, equitable rules that should apply to both Houses of Congress. For example, the conference report bans a Senator from sending taxpayer-funded mass mailings during his or her election year, but places no limitations on such mailings by incumbents in the House. A modest reform in the Senate, but the status quo in the House.

Though the conference report's supporters claim this bill strikes at the excessive influence of political action committees [PAC's], why are the only real limitations in the Senate? Mr. President, this is worth closer examination. Under the conference report, a single PAC can contribute no more than $2,500 to a Senate candidate. And the total amount that he or she can receive from PAC's is 20 percent of the total expenditure limit, or $825,000, whichever is less. In other words, for a California Senate candidate who spends the full expenditure limit of $8.25 million for the entire election cycle, he or she can only receive PAC contributions totaling $825,000, which is 10 percent of the limit.

However, individual PAC contributions to House candidates remain at $5,000. And if a House candidate abides by the $600,000 campaign spending limit, $200,000 or 33 percent of the amount can come from PAC's. But take out the maximum Government freebie of $200,000 and you have a more glaring statistic: of the $400,000 a House candidate can raise in private contributions, half—50 percent—can come from PAC's.

Why the different rules? The reason is simple: The majority party in the House does not want to cure itself of its addition on PAC contributions. From 1982 to 1990, the PAC portion of the House democrats' total campaign war chest rose from 38 to 52 percent. Think of it: The House Democrats receive just as much, if not more funding from inside-the-beltway special interests than from voters in their own district.

It is that degree of influence that perpetuates the congressional careers of incumbents and limits the opportunity of challengers. So rather than institute real change, the House Democrats simply put the status quo in this bill.

The total PAC contribution ceiling is just slightly lower than the average amount a House member currently receives from PAC's, leaving in place the already high degree of influence exerted by special interest PAC's.

But there is more that is wrong with this report. The so-called spending limits and other restrictions on fund raising are not equitable for House and Senate candidates.

Let me use California as an example. A California Senate candidate seeking public assistance under this bill must raise a portion of his or her funds from Californians. By contrast, a House incumbent can receive taxpayer funds without receiving a dime from a voter in his or her own district.

Also, a California Senate candidate seeking to abide by this bill is limited to a total of $5.5 million for the general election. If you divide this amount by California's current voting age population, a Senate candidate can spend only 25 cents per voter. Yet, a House candidate in California, with a $500,000 limit in the general election, can spend $1.21 per voter in the district.

How can even the strongest proponent of these so-called voluntary spending limits support such a gross inequity between House and Senate? I understand that the House and Senate operate under different administrative rules, but let us be clear what is behind this inequity. First, while the American people want a change in special-interest fundraising that perpetuates incumbent advantage, the Democrats do nothing to truly reduce PAC influence in the House.

Second, when Americans want an end to the overall money chase that also favors incumbents, the Democrats set a spending limit for House races that is well above the average that House incumbents spent in the last election in 1990.

But that is not the worst of it. In return for abiding by these cosmetic reforms, candidates are given a series of freebies and benefits that could cost American taxpayers $1 billion over the next decade. At a time when the American people have had enough of perks for politicians, we have before us a conference report that may stir new life in the House bank.

Mr. President, real reform, real constructive efforts to change our campaign system must not be done on the backs of the American taxpayer. Each year, the Federal Government provides funds for many worthy programs ranging from Head Start to AIDS and cancer research. The last individuals who deserve to compete for these scarce

funds are we, the politicians. It is just common sense. A taxpayer should not have to see his or her hard-earned tax dollars going to crackpot politicians like David Duke and Lyndon LaRouche.

The American people agree. In virtually every poll taken on this issue, the American people are strongly against taxpayer-financed elections.

Now there is some confusion among the supporters of the conference report about the presence or lack of a public financing component. The chairman of the House Administration Committee said recently that the most important aspect of the conference report is that it does not take funds from taxpayers or increase the deficit. Meanwhile, the Washington Post and New York Times are lauding the Democrats for including public financing in their bill.

The Democrats are attempting to pull a fast one on the American people by not providing a public funding mechanism even though their bill will not work without it. How can we restore the trust in the American people with this lame game of good news/bad news: America, the good news is that we in Congress will not take a dime of your hard-earned dollars for our campaigns today. The bad news is we will be back to get you later.

And for yet another example of why this conference report cannot be taken seriously, I direct my colleagues' attention to section 902(b) of the conference report, which states that it is the "sense of the Congress" that any future funding mechanism cannot increase general revenues, reduce expenditures for any existing Federal program, or increase the Federal budget deficit. Unless the Democrats have discovered the goose that lays golden eggs, I cannot see how they can institute their plan for hocus-pocus public financing without raising general revenues or shifting funds from existing programs.

Mr. President, I do not know what it is going to take to wake up the U.S. Congress. This conference report is further evidence to the American people that those who are at the helm are out of touch and out of control. The American voter wants an end to the inside-the-beltway bank of the Potomac mentality. This conference report does not do it. The American people want an end to soft money abuses by labor unions and other special interests. This conference report does not do it. The American people want campaign finance reform, but not at the expense of their hard-earned funds. This conference report does not do that either. Instead, it creates another taxpayer-financed perk for politicians.

I would think that given the current mood of the country, a more serious, less politically motivated effort toward reform of our campaign process would have occurred. I am sorry to see that what we have before us is yet another argument for the term limits movement in this country.

Mr. President, it all adds up to one simple premise: The Democrats underestimate the intelligence of the American people to look at the real issues. I am confident that the American people will look beyond this Machiavellian charade and see this conference report for what it is: a sham.

Mr. BRYAN. Mr. President, every American knows that there is too much money in the political process. Like an ever escalating arms race, the costs of House and Senate campaigns have quadrupled since 1976, from $115.5 million to $445 million in 1990. There is simply too much money in the system.

The key to turning this situation around and making the number of dollars raised less of a factor in campaigns is to impose spending limits. If less money can be spent, then less money will have to be raised and more time can be spent working on more worthwhile endeavors.

Mr. President, I support an outright law dictating how much candidates may spend. Unfortunately, the Supreme Court does not agree. In what I consider to be an ill-conceived decision, the Supreme Court decided in Buckley versus Valeo that limitations on overall campaign expenditures restrict a candidate's right to free speech. The Court said that only voluntary limits could be upheld. For this reason, I am a cosponsor of a resolution authored by the Senator from South Carolina to amend the Constitution to allow a cap on campaign spending. The resolution was approved by the Judiciary Committee and is awaiting action by the full Senate. Many, including entrenched special interests, do not support such a cap on campaign spending, and unfortunately, prospects for swift passage are not likely.

In the meantime, as this amendment makes its way through the time consuming process to amend the Constitution, I support a comprehensive campaign finance reform bill which contains fundamental reforms to the campaign finance system. This bill represents the most far reaching attempt by Congress to overhaul the system.

Under the voluntary spending limits in S. 3, the cost of running for the Senate in my home State of Nevada would be cut roughly in half. This bill would cut by half the amount of money candidates may receive from political action committees. It also eliminates bundling of contributions and will drastically reduce the amount of so-called soft money that can be pumped into elections.

Campaign reform has unfortunately been locked in partisan gridlock as each side believes changes will benefit the other party. Now, some 32 past and present Republican challengers have announced their support for this reform bill. In a letter to President Bush, these challengers urged the President to sign the campaign finance reform legislation because they say it will benefit challengers. "Such legislation is necessary to level the playing field for credible challengers and to restore a measure of fairness to our electoral process," the letter stated. President Bush has vowed to veto the bill.

Mr. President, I was recently a challenger myself. In the Senate elections of 1988, challengers spent $49 million while their incumbent opponents outspent them by more than double that—$101 million.

It is obvious to everyone involved in the process of electing public officials from incumbents and challengers to voters that something needs to be done about the way campaigns are funded. If we are serious about campaign finance reform, we need to limit the cost of election to the U.S. Senate, ending the money chase and providing a level playing field for all candidates.

Mr. MIKULSKI. Mr. President, I am going to vote for the conference report on the campaign finance reform bill. I will vote for it because the campaign finance system is out of control. I will vote for it because the people of the United States are fed up. And I will vote for it because I believe we can have a political process which is better and fairer and more open than the one we have today.

The campaign finance system is out of control. Under the current system, members of Congress must constantly raise large sums of money to finance their campaigns. In the last Senate election in 1990, the average winner spent $4 million on his election. Without spending limits, it will cost more this year and even more in 1994.

When average Americans—the corner grocer or the cop on the beat—see spending like that, they become discouraged and cynical. They feel they cannot compete with the big dollars and they do not even try to get involved.

Mr. President, it is time to fix the system. On Tuesday, the Republicans held a campaign dinner and encouraged supporters to raise $92,000 apiece. This was the price for having their picture taken with President Bush. How many ordinary folks do you know who can raise $92,000? When that fancy letterhead crowd writes those big checks, do you think they do it because they want to make sure the average American's hopes and fears are addressed? The people know better.

The people believe that under our current political system, a few fat cats have far too much power over what gets done and, more importantly, what does not get done.

We have gridlock in Washington. We are not getting action on health care reform. We are not taking the steps necessary to make our economy com-

petitive. We are not getting the job done, and part of the reason is that the big fat cats who pay for the high campaign costs prefer the status quo. It has been good to them, but the people want change.

The people of the United States are fed up with a political system that does not act on our Nation's problems, does not put the concerns of ordinary working families first, does not listen to them. They are fed up with negative ads instead of positive programs, with sound bites instead of solutions, with politicians who are more concerned about how they look than with what they accomplish. In primary elections across America this year, the voters have called for change.

Newcomers like Carol Moseley Braun of Illinois and Lynn Yeakel of Pennsylvania have become the nominees of their party. Why? Because they represent a change in the old way of doing things, and so do I.

The voters want change. This campaign finance reform legislation is one way we can respond to this call for change. It limits campaign spending, limits campaigns' cost, and limits the ability of PAC's to influence the process.

It helps to bring us back to a level playing field, where average moms and dads have as much opportunity to be heard as the big fat cats do, because Mr. President, I think we all believe we can do better than we're doing.

I got my start in politics as a community activist, working to prevent a highway from demolishing my neighborhood. Today, I am a U.S. Senator.

I do not want to see the next generation of community activists shut out of the process. I want people at the grassroots in communities across America to have an opportunity to participate. I want to see us restore the faith and trust we all believe Americans should have in their government; give them a reason to get involved. I want to limit the influence of big dollars and increase the influence of people with big hearts, people who care, people who want to make a difference and people who are angry. I want to see us give our Government back to the people. Campaign finance reform will help us do that.

I yield the floor.

Mr. BREAUX. I would like to pose a question to the majority leader concerning one aspect of this legislation. As the majority leader knows, Louisiana has a unique election process which involves an open primary system for the election of Federal candidates and I am concerned about how this legislation applies to that process.

Other States hold primaries for the selection of candidates for the general election representing each party. In contrast, Louisiana conducts an open primary where candidates representing all parties run at the same time in one election. That open primary election occurs in October and if no candidate receives at least one half of the vote, the top two vote-getters run in the November election.

Mr. MITCHELL. Yes; I am aware of the Louisiana open primary system and I agree that any legislation establishing a system of voluntary spending limits should be crafted to take into account the Louisiana system. As the Senator knows, the conference report the Senate is now considering would establish State-by-State voluntary spending limits for general and primary elections based on the voting age population of the States. A limit is established for the general election and 67 percent of that amount may be spent in the primary election.

Mr. BREAUX. I understand the conference report includes definitions of "primary election" and "general election." A primary election is an election which "may result in the selection of a candidate for the ballot in a general election." A general election is an "election which will directly result in the election of a person to a Federal office but does not include an open primary election."

As I interpret this language, the Louisiana open primary, even though it may result in the direct election of a candidate for the U.S. Senate, would be considered a primary for purposes of applying the lower spending limit to the election contest.

Mr. MITCHELL. That is correct. The Louisiana open primary would be subject to a voluntary spending limit which is 67 percent of the spending limit that would apply to the runoff election if no candidate receives at least 50 percent of the vote.

Mr. BREAUX. That is a problem for Louisiana. In order to ensure the fairest election contests the open primary should be treated as a general election for purposes of using the higher spending limit. The open primary is a longer election contest and should be subject to the general election spending limits.

Mr. MITCHELL. I agree with the Senator from Louisiana and would be pleased to make such a change in the bill language. The Louisiana election system is unique and special rules should govern those elections to ensure the fairest and most appropriate treatment to all candidates. If the President signs this legislation, the provisions in the conference report we are considering today will not go into effect until subsequent legislation is enacted which funds the program. At that time, refinements to the bill can be made to modify the definitions of general election and primary election to recognize the special situation that applies in Louisiana. If the President vetoes this conference report we will make the appropriate changes when this issue is considered again in the future.

Mr. BREAUX. I intend to vote for this legislation although I am opposed to the effect it has on the Louisiana open primary and believe this language must be changed. I appreciate receiving the majority leader's assurances on this matter.

Mr. SANFORD. Mr. President, by passing S. 3, the conference report on the Congressional Campaign Spending Limit and Election Reform Act of 1992, the Senate has an opportunity to let the American people know that we have heard their message and that we are as tired as they are of big money politics and the endless chase for money in congressional campaigns.

Today, the Senate can address in a serious way the public's frustration with politics as usual. The Senate can reform a campaign system that is too dependent on large sums of money and that gives the appearance of corruption. Today, we can begin the process of restoring the public's confidence in the Congress.

There is no doubt that the amount and importance of money in our campaign system taints the reputation of public service. Elected officials are consistently accused of being bought by their campaign contributors. My strong feeling is that Members of the Senate and the House take special care not to be influenced by campaign contributions. But there is the appearance of corruption and it has been enough to erode public confidence.

Today the Senate can send to the President a reform measure that has taken a long time to develop. The fact that we are here voting on a conference report on campaign finance reform speaks to the hard work and perseverance of the senior Senator from Oklahoma who has been tireless in his efforts to reform a sick campaign system. For 5 years, he has led the charge. He is to be commended.

In August of 1987, I came to the floor of the Senate to speak in favor of S. 2, the first of the campaign reform bills that preceded and helped to form the bill in front of us today. As a cosponsor of S. 2, I pointed out that there was a judgment felt widely across the land that far too much money is spent for political campaigns, and that the American political system was the worse for it. I had been in the Senate for just 6 months and it was already painfully obvious that Senators had to spend far too much time being professional fundraisers. A Republican filibuster prevented a vote on S. 2.

In the 101st Congress, the Senate revisited this issue and passed S. 137, the Senatorial Election Campaign Act of 1989, legislation nearly identical to S. 3 before us today. Again, a campaign finance reform measure failed to become law. This time because of a threatened veto by President Bush.

Last year, the Senate took up consideration of S. 3, then known as the Senate Elections Ethics Act, out of which came the conference report before us.

For the first time, despite 5 years of Republican opposition and obstacles, the President can be sent a tough campaign finance reform measure—one that the people support.

If the development of this bill has been difficult and full of roadblocks, the future of this bill looks even more bleak. President Bush has indicated his intention to veto S. 3. He will choose political expedience over sound public policy. For if we pass this conference report, the President's options are clear. One option is for him to do what he knows is right and sign a bill that the public supports. His other option is to veto S. 3, and to keep a campaign issue at hand. On the campaign trail he will rail against a do-nothing Congress. It will be another in a series of cynical moves by the President to defeat real reform in order to keep alive his hollow argument that the Congress is not able to address the pressing issues of the day.

Mr. President, we all know how the public views the Congress. The approval rating for the Congress is at an all time low. It is my conviction that this lack of respect for the Congress is in large measure due to our system of campaign finance. I do not believe that the Members of this body are corrupt. Clearly, however, our campaign system gives the appearance of corruption. The excessive spending on campaigns puts a real strain on elected officials at all levels of government. The status quo, our current campaign system, requires ever increasing campaign spending by Members of Congress. This gives the appearance to the public that we are dependent on private funds, special interests, and rich friends to finance our campaigns. Bill Moyers interviewed a mechanic recently who said something to the effect that he felt that the Government is of the people, by the special interests, and for the few. The Congress is not corrupt, but it sure looks that way.

We have an opportunity to say to that mechanic, and to all citizens across the land, that we have gotten the message. We can prove that reform is an issue we are serious about by passing S. 3. President Bush can provide real leadership by signing this bill into law.

S. 3 provides a comprehensive approach to campaign finance reform. This conference report establishes a system of voluntary spending limits. In my home State of North Carolina, just over $3 million could be spent in a Senate election cycle. That would cut for example over $19 million out of the $25 million estimated spending in the 1990 North Carolina Senate race. When our Nation faces all the problems that it does, funds could be put to much better use than excessive campaign spending.

The spending limits are voluntary because the Supreme Court ruled in 1976 in the case of Buckley versus Valeo that mandatory expenditure limits are unconstitutional. In order to deal with this Court case, incentives or punishments must be offered to induce candidates to accept spending limits. S. 3 offers incentives in the form of limited public financing. Candidates who agree to spending limits will receive free and reduced-rate broadcast time and discounted mailing rates.

S. 3 also addresses the difficult issue of contributions by political action committees. In the Buckley case, the Supreme Court ruled that the right to associate is a fundamental constitutional freedom. It seems nearly certain that a total ban on PAC contributions would be ruled unconstitutional. Although we cannot ban total contributions by political action committees, we can take steps to reduce the influence of special interest money. This bill does just that. No Senate candidate could accept more than 20 percent of the total spending limit from PAC contributions. The amount of money a political action committee could contribute is reduced by half under this bill.

The conference report also addresses the issue of soft money and bundling. Soft money is that money which indirectly influences Federal elections but is raised outside the restrictions of Federal law. S. 3 subjects this often abused campaign practice to Federal law. Money raised and spent by party committees solely in connection with a Federal election would be subject to limits and reporting rules under Federal law, not simply State laws.

Bundling allows an individual to solicit a number of checks for a candidate without the total amount of those donations counting against the contribution limits of the individual. This conference agreement will prohibit bundling and would require all contributions made through intermediaries, such as professional fundraisers or house party hosts, to be fully disclosed. These are all important and necessary provisions if our campaign system is to be truly reformed.

While there are other important provisions within S. 3., one deserves special mention. A major complaint I have heard from one end of North Carolina to the other is that people are sick and tired of negative, meanspirited campaign advertisements. These advertisements add nothing to the public debate. The conference report before us requires that television advertisements include a prominent and identifiable image of the candidate and a statement that the candidate takes full responsibility for the content of the advertisement. This will force candidates to take personal responsibility for the statements made in television advertisements, a most welcome development.

If people have made clear their disdain for negative campaign commercials, they have also indicated their strong support for campaign spending limits and campaign finance reform. On average a Senator spends $4 million to campaign for a Senate seat. This does not sit well with North Carolinians. In the last Senate campaign in my State the challenger spent $7.7 million in a losing effort. The winner spent $17 million or $15.50 for each vote he received. This also illustrates very well the fact that spending limits help challengers by creating a level playing field. Under S. 3, incumbents will not be able to amass huge war chests. Spending limits also serve to reform a campaign system that is so exorbitantly expensive that many qualified challengers simply decline to seek office.

Mr. President, it bears repeating: The amount of money needed for a viable campaign in this television dominated era is disgraceful. There is no other word for it. We must enact significant reform so we can cease being part-time legislators and full-time fundraisers.

Nonetheless, the President will veto this bill. He will veto S. 3 because he says that he cannot in good faith sign a bill that includes public financing provisions. It is difficult to miss the hypocrisy of this position. The President has benefited more from public financing than any other elected official in our Nation's history. At the end of this Presidential campaign, Mr. Bush will have collected $200 million in Federal matching funds, an all time high.

It seems that the Senate will not have enough votes to override this expected veto. If S. 3 does not become law, I will once again advocate a new direction for campaign finance reform. I have introduced Senate Resolution 70 which recognizes that the Senate should make and enforce its own Campaign Code of Conduct for the dignified election of its Members. My resolution does not offer limited public financing in exchange for compliance of spending limits. Instead, it offers sanctions, in some cases mandatory, ranging from loss of seniority advantages to censure, and even expulsion for failure to abide by the rules. That discussion, however, can wait.

Perhaps my resolution will not be necessary. Perhaps President Bush will sign S. 3 into law. Perhaps, after hearing from so many of our fine citizens across the land who are disgusted with dinners that raise $9 million in one night, President Bush will see the need to reform this campaign system. It is not too late for the President to show real leadership and to follow the will of the people, but I hold out little hope.

Thank you, and I yield the floor.

Mr. BIDEN. Mr. President, I will support the conference report before the Senate, but I do so with the knowledge that it represents only a partial response to much needed reform of our campaign finance laws.

For nearly two decades, I have argued in support of public financing of

congressional campaigns. The conference report does not include full public financing. But if the President signs this conference report into law, something he unfortunately is not expected to do, it would represent an improvement over the current system.

However, with or without the President's signature, I believe we will return again to the subject of campaign finances, and perhaps then we will put aside attempts at moderate reform and adopt a true overhaul of our elective process.

In this conference report, we are rightly acting to address the nagging feeling of the American public that they have no voice with their elected representatives, that they have little role in determining who those representatives are.

The public seems convinced that they play no real part in a candidate's efforts to get to Congress or to stay in Congress. Decisions seem to be made by heavy-hitters or insiders, not through a reflection of the electorate's wishes. This has bred a cynicism that goes to the heart of our democratic government.

Earlier this month, the Wall Street Journal and NBC conducted a nationwide poll. Nearly 60 percent of the respondents agreed with the statement that "the economic and political systems in this country are stacked against people like me." Nearly two-thirds of the respondents believed that quite a few people in Government are a little crooked.

There are undoubtedly dozens of factors that contribute to the public's distrust or alienation from Government, but one factor has to be the election process.

When I first ran for the Senate in 1972, I was a little naive about the process. After I received the nomination, I went to the chairman of the Democratic Party and said, "Do you write me a check?" He looked at me and said "you are 29, aren't you?"

I thought the parties would help their nominees. I found out quick that the costs of my campaign were covered by me knocking on doors and asking for contributions to help me run for office. But for most candidates, knocking on doors won't be enough. Like it or not, they will have to chase bigger campaign contributions. Public financing would end the spectacle of good candidates having to pander to special interest groups, and of other candidates who never make the effort because the financial requirements are so demanding.

The chase for dollars dominates the electoral process we have today. This conference report will move us closer to the goal of deemphasizing the importance of raising money. Unfortunately, it does not completely end that influence.

It is interesting how opponents try to characterize any use of public funds for election campaigns. Listening to them, one would think that campaigns are most commonly financed through small individual contributions, and that this grassroots effort would be completely destroyed by a reform of the system.

But is that what the American public is expressing their outrage at? That they believe their voice would be lost through a public financing system? This assertion of opponents completely distorts the picture. The public believes their voice is lost now, under existing rules. What public financing would do is eliminate the excessive influence of the fat cats in deciding who runs and who doesn't. The American people rightly believe they should be the ones to make that decision.

The President has said he will veto a bill that includes spending limits and public financing. Two crucial components of campaign finance reform, and the President wants to take them off the discussion table. It is a defense of a system that the American public clearly rejects as inequitable.

Opposition to spending caps? In 1974, I wrote an article on campaign finance reform for the Northwestern University Law Review. In that article, I noted that certain individual races cost as much as $320,000 for the House and $2,300,000 for the Senate. Those were exorbinant figures for the time.

Now we have reached spending levels that can only be termed astronomical. In 1990, the average winning House race cost $400,000—the average cost is now well above what was considered an exceedingly expensive race when I first entered Congress. The average cost for a Senate seat showed the same trend. The Senate average for 1990 was $4,000,000, nearly double the highest cost in 1974.

Opposition to public financing? Concern over the costs of campaigns and how they can change the nature of representative politics is not limited to the national level. Last week the Governor of Delaware, Michael Castle, signed legislation to allow counties and municipalities to pass public financing laws. In signing the bill into law, Governor Castle, a Republican Governor I might add, had some observations about the Delaware law that could just as easily apply to what we are acting on today.

In a letter to the Delaware Legislature, Governor Castle said:

> I support this legislation because I believe that public financing of local elections can lead to a more competitive system where challengers as well as incumbents have access to adequate resources with which to run effective campaigns. The impact which a system of public financing can have on elections to local office is particularly significant where large individual contributions can be disproportionate to the total amount of campaign contributions received by a candidate. In such elections, public financing can diminish the influence of special interest money, encourage the participation of small contributions and reduce the need for candidates to spend significant amounts of time soliciting money from large contributors. * * *

If those observations can be made about local races, imagine what can be said about House or Statewide Senate races. The fact is that the same influences that Governor Castle cited in local elections are writ large in elections at the Federal level.

The conference report we will vote on later today represents only a first step in dealing with this issue. I continue to believe that while moderate reform may take eliminate some of the excesses, we should not stop here. We should go further and pass total public financing for Senate campaigns. Only this step would completely return the process to citizens, where it belongs.

Mr. SMITH of Oregon. Mr. President, I will vote against this conference report with pleasure. If ever there was a misbegotten example of legislation which purports to deal with a problem, while making it worse, this is it.

Our system of regulating elections is far from perfect. But this conference report will ensure that there will be no changes in our campaign finance laws during the 102d Congress—good, bad, or indifferent.

Mr. President, the reason this conference report will kill campaign reform for the 102d Congress is that, rather than attempting to come to grips with the inadequacies of the way we conduct and fund campaigns, it is little more than a cynical effort to manipulate the rules to benefit selected participants in the political process.

This will not be the first time that architects of so-called campaign reform proposals have attempted to undermine the very fabric of our democratic system for political gain.

For example, the Campaign Reform Act of 1974 was a monumental effort in incumbent protection. In the 16 years following the 1974 enactment, incumbent reelection rates rose from 85 to 97 percent in the Senate and from 80 to 96 percent in the House. In 1988, in fact, the House reelection rate was a startling 98 percent. In a vicious cycle, greater incumbent protection dried up sources of financing, with challengers receiving only 6 percent of the $108.6 million PAC's contributed to House candidates in 1990.

The 1974 act was dysfunctional in a number of other ways: Following the 1976 Buckley versus Valeo decision, wealthy candidates were allowed to make unlimited contributions from their personal wealth, while poor- and middle-income candidates were disadvantaged in their efforts to raise the seed money they needed to seek reelection. The reason for this is simple: While a wealthy candidate can throw $100,000 or $500,000 or $1,000,000 into his campaign, it is virtually impossible for

a candidate without wealth or name recognition to raise this amount of money in $1,000 increments.

Ironically, as well, the decline in individual participation in election funding has led to an increasing dominance of the much-maligned political action committee, which grew in numbers from 608 in 1974 to 4,268 in 1988.

Given this history, it is not surprising that the cornerstone of this conference report before us is an attempt to further skew the system by creating an entitlement program for politicians. In 1984, this entitlement program would take an estimated $300 million out of the pockets of taxpayers and place it in the hands of anyone who qualified for matching funds. Should taxpayers be required to fund Lyndon Larouche? Or David Duke? Should tax dollars subsidize the bigoted advocacy of neo-nazis? Of anti-Semites? Of Maoist revolutionaries? Or terrorist fringe groups? That is exactly what is happening with the Presidential campaign fund, and this nutty proposal would extend this problem to all Federal elections.

The American people understand the fundamental unfairness of requiring them to subsidize political campaigns, and they have, in fact, repudiated the Presidential campaign financing system every time they have been given an opportunity. Over the past decade, the total percentage of tax filers who check off the $1 set-aside for Presidential campaigns has plummeted from a high of 29 percent in 1976 to 19 percent in the most recent taxable year for which figures are available.

Furthermore, since this new entitlement is to be funded without "reducing expenditures for any existing Federal program," we can surmise that funding will come from increased taxes.

It is also not surprising that the conference report jettisons the Senate's elimination of political action committees. One would hope that this move to preserve PAC's was motivated by those who, like myself, believe PAC's are a constitutionally protected outlet for small contributors to flex their political muscle. But it is clear that the jury-rigged system, with some rules for the House and other rules for the Senate, is a product, not of principle, but of political expediency.

So, Mr. President, campaign reform will die with today's vote on this conference report. The bill will be vetoed, and the veto will be sustained, probably by a party-line vote. But those who believe that this exercise will shield them from voter cynicism are in for a rude awakening.

In the end, good policy is good politics. Conversely, policymaking with a political objective will ultimately inure to the political benefit of no one.

Mr. CHAFEE. Mr. President, today as the Senate considers whether to approve the conference report of S. 3, I must express my opposition to this measure.

We are debating this bill at a time when public confidence in our electoral system is lower than ever. One principal reason for this erosion in confidence is the perception that special interests exert an undue amount of influence, through political campaign contributions, upon the actions of those in government. Increasingly, the financing of campaigns is being supported not by the voters who reside in a candidate's State or by the political parties, but by outside individuals and organizations.

Another reason for the public's lack of confidence is the perception that we in Congress are more interested in being able to claim credit for solving problems than in actually doing something about them. This conference report will do nothing to address the voters' uneasiness in these areas.

What will it take to restore balance to our system of campaign finance?

Some suggest campaign spending limits and the use of taxpayer subsidies. Spending limits, however, are not a panacea for improving our campaign system. Moreover, while the legislation before us sets a voluntary cap in the range of $950,000 to $5.5 million for Senate candidates—based on a State's voting-age population—and a $600,000 limit for House candidates, it still fails to fully control money spent by outsiders to influence elections. With regard to taxpayer subsidies, given our overwhelming budget deficit and the many areas of dire financial need—such as education and health care—it is difficult to justify the spending of taxpayer money on congressional campaigns.

This conference report would impose arbitrary limits on the amount to be spent by candidates in Federal elections, and would cost taxpayers an estimated $300 million for the 1994 elections alone. It would be a dramatic step in a democracy to thus circumscribe freedom of expression, and indeed a dramatic step in a nation with a staggering budget to consider tax subsidies for campaign expenses.

Perhaps these dramatic steps are worth considering. However, if we do we'd better make sure they will result in a system that treats the House and the Senate equally, that is truly fair and evenhanded in the restrictions it imposes, and that improves competition in election campaigns.

What would the country get in return for these extraordinary steps?

There are three areas I believe we need to examine in order to evaluate this conference report:

First, restrictions and regulations should apply equally to both Houses of Congress. The conference report fails to measure up to this standard.

The Senate-passed bill, for example, contained a universal ban on Political Action Committee [PAC] contributions. This provision received strong support from Republicans and was a central feature of our bill. In the conference, however, the ban on PAC's was eliminated. Under the current proposal, PAC contributions to Senate candidates would be limited to $2,500 per election whereas the present limit of $5,000 would continue to apply to House candidates. This is an inexplicable disparity.

Another shortcoming is the revised prohibition on franked mass-mailings by incumbent candidates. Instead of prohibiting such mailing during the election year for all Members of Congress, the conference report applies this provision to the Senate but fails to apply it to the House. What is the explanation for this inconsistency? For I cannot fathom any difference between a Senate and House franked mass mailing.

Second, it should limit the ability of special interests to influence the actions of those in Government through soft money contributions.

What is soft money? It is money used to influence Federal elections that is raised outside the purview of Federal election regulations. In short, it is money that does not have to be reported.

Again, the conference report does not address this matter in a comprehensive fashion. While it does require money that is solicited, contributed, and spent in a Federal election to meet the requirements of the Federal Election Campaign Act, it does maintain a rather large loophole; namely, while limiting the activities of State and national party committees, it allows special interest soft money—like contributions from labor unions or from corporations—to flow freely into the coffers of incumbents.

Therefore, this bill would place limits on the funding by the two major political parties—Republicans and Democrats—to which a majority of Americans belong. Unfortunately, the bill would not affect the soft money of the powerful special interests groups who make their homes here in Washington pursuing a narrow political agenda that includes maintaining access to and influence on government. How can they do this? Through large soft-money contributions.

Third, it should improve competition in congressional campaigns, in which incumbents currently enjoy a number of advantages which inhibit the ability of challengers to compete. Given inconsistencies in this legislation there is no doubt in my mind that under the provisions of this agreement, incumbents would again win the day at the expense of fair competition.

In the Republican bill there were a number of significant provisions to promote competition: for example, restrictions on gerrymandering, the com-

prehensive ban on PAC's, the ban on election-year franked mass mailings—for both Houses of Congress—and the tighter limit on contributions from individuals who reside outside a candidate's State, bringing the maximum down from $1,000 to $500. These are effective and necessary elements to campaign finance reform. Yet they are not to be found in this conference report.

I am also troubled by the potential cost of the bill. It has been estimated that, when applied to both House and Senate candidates, the Federal funds to be made available by this legislation could total upward of $300 million for the 1994 elections.

At a time when the intractable budget deficit is constraining our spending in a number of worthwhile areas—such as health care, education, and drug treatment—I find it difficult to explain to the taxpayers that we can afford to embark on a new program offering Federal subsidies for congressional candidates, especially to support a system as flawed as the one set forth in this bill.

Proponents of this measure have cited section 902 which calls for "Budget Neutrality." The conference report states that this or any subsequent act "shall not provide for any general revenue increase, reduce expenditures for any existing Federal program, or increase the Federal budget deficit."

That's all well and good if proponents are looking for an answer to the taxpayer's fair and honest question: Are we going to pay for this financing scheme? The conference report provides the following enigmatic and hollow answer: "* * * designating the source of financing is an issue to be decided in subsequent legislation."

The fundamental feature of this measure is taxpayer-financing of congressional races, which will require hundreds of millions of dollars under the proposal we are debating today. Yet this conference report fails to tell us—and fails to tell the American people—how this will be paid for.

It is easy to come up with appealing and popular ways to spend money on new programs like public financing of elections. The difficult part of the equation is deciding how to pay for it. The promise of campaign finance reform contained in this bill thus rings hollow.

Again, we have taken up the Senate's valuable time on a measure that we all know will be vetoed by the President. There is no Member of this body who sincerely believes that this bill will become law. Taking into consideration the way the conference report is crafted, it appears designed more for the purpose of handing an issue to President Bush's opponents than for achieving a truly bipartisan and comprehensive reform package.

Given this pattern into which we have fallen, it comes as no surprise that the American people have expressed their dissatisfaction with Congress and we have seen the tide of anti-incumbent sentiment rise to levels unforeseen.

Campaign finance reform is a perfect example of an issue that must—absolutely must—be dealt with in a bipartisan fashion. When amending the laws that govern our electoral system and affect the balance of power in Congress, we must check politics and partisanship at the door and be guided by principle.

Can we not do better than this?

I am indeed disappointed that again we come together to approve legislation that will meet the same fate as other political gestures fashioned for partisan advantage and guised as real reform. It is my hope that someday soon we will be able to enact a truly bipartisan and evenhanded bill. The American people deserve our best; and unfortunately, with this bill, we give them Congress at its worst: Partisanship, jockeying for advantage in a Presidential election year, empty promises, and the all-too-present political gridlock that has paralyzed our Government.

Mr. RUDMAN. Mr. President, I rise in opposition to the conference report on S. 3, the partisan Democratic campaign finance bill now pending before the Senate.

Let me just start by affirming my belief that the current system of campaign financing is sorely in need of change. Since coming to the Senate nearly 12 years ago, I have advocated campaign finance reform, especially a ban on political action committees. I also tried to set an example in this area, refusing to accept contributions from non-New Hampshire PAC's in both of my Senate campaigns.

I believe that campaign finance reform is one of the most important issues facing Congress today. At a time when the public perceives the level of honor and integrity in this institution to be waning, inaccurately in my view, and the influence of special interests to be excessive, it is our duty to provide campaign finance reform. But it must be real and it must not be partisan. Just as important, it must not cost the American taxpayer.

Regrettably, the bill we are debating today will not offer the American public real reform. Nor will it restore the confidence of the American people. Instead, this bill hoodwinks the people into thinking there will be change. They will not be fooled for long when they see the price tag. They will not be fooled for long when they see that reform created a system which encourages undisclosed campaign spending. We are in difficult economic times. Americans are forced to cut back on their own spending and our country faces massive Federal budget deficits. Yet, this Democratic bill would take millions of dollars from taxpayers and put it into the pockets of congressional candidates, while establishing a system even more favorable to incumbents than what now exists. This is not reform and this is not right.

First, this bill would force the American taxpayers to pay for exorbitant costs for the political activities of candidates. The Congressional Budget Office estimates that this bill will have a biennial cost of $100 million to $150 million, while the Senate Republican Policy Committee estimates the direct biennial cost to the taxpayer at between $182 and $320 million. Whichever is right, and I suspect it is the latter, this is quite a tab to force down the public's throat when we offer them nothing in the way of real reform. My colleague from Kentucky referred to this as food stamps for politicians. I am not sure I agree with that characterization; but, when the people of New Hampshire talk about campaign finance reform, I know they are not volunteering to give political candidates almost $1 billion in every 6-year Senate election cycle.

Parenthetically, the conference report to S. 3 would expand public financing of campaigns at the same time that the existing system for Presidential campaigns is falling apart. Under current law, individual taxpayers can, at no direct cost to themselves, choose to authorize $1 to be pulled from general Federal revenues to be used to finance Presidential campaigns. As a result, every year since 1976, we have had a national referendum of sorts on the issue of the public financing of Federal elections. Only 27.5 percent of the taxpayers chose to support this idea at its inception, and that number has declined ever since. Only 17 percent of all taxpayers, fewer than 1 out of 5, are currently willing to agree to the $1 checkoff even though it does not affect their tax liability. There can be no more graphic evidence of the fact that most Americans oppose public campaign financing. And yet, in the name of saving the public, this bill arrogantly proposes to geometrically increase use of their money for that purpose.

Worse still, the Democratic sponsors of this measure are unwilling to put forward any sort of funding mechanism to pay for this. What programs will be cut? What taxes will they raise? Or, are they proposing to just add to the already record Federal budget deficits and make this country more bankrupt than it already is.

Second, this bill is designed to protect incumbents, and Democratic incumbents in particular. Under S. 3, voluntary spending limits would be established for Senate races, based on a State's voting age population, ranging from $950,000 to $5.5 million for general elections. Supporters of this bill allege that these limits will help to make the system work more fairly for incum-

bents and challengers alike. However, the reality is that these limits will actually hurt challengers and hinder their ability to mount a credible campaign against incumbents.

Long before the election year arrives, incumbents are able to gain an advantage over challengers. By virtue of holding office, incumbents are able to build a support staff, media contracts, and more importantly, name recognition. As a result, the challengers usually find themselves behind the eight ball at the outset of a campaign. These inevitable incumbent advantages can be overcome, but only if challengers are given the opportunity to do so.

Contrary to the impression being fostered by Common Cause and other supporters of this bill, this does not mean that spending by challengers must equal or exceed that of incumbents. It does mean that challengers must be able to spend a certain threshold amount in order to run a competitive race. The spending limits proposed by the Democrats in this bill, should they prove to be enforceable, are so low that challengers will be unable to compete effectively. This of course, suits the Democratic Party, the party with the most incumbents just perfectly.

A few simple facts demonstrate the effects of S. 3's proposed spending limits. In the 1988 Senate elections, 95 percent of the challengers who spent under the limits set out in this bill lost. In 1986, when campaign costs were much lower than they are now, 90 percent of the challengers who spent within the limits lost, while 63 percent of those exceeding the limits won. In my State of New Hampshire, it costs nearly $500,000 for many challengers to get their name recognition up to 40 or 50 percent—just enough to appear credible but not enough to win a race. However, under the conference report, a candidate would only have $950,000 for the general election. If incumbents and challengers are forced to abide by these spending limits, the incumbent will almost always win. The game will be fixed.

This analysis, of course, presumes that limits of this nature are workable. That is by no means clear. Supporters of the conference report constantly cite the Presidential election spending limits in support this bill's spending limits. In fact, that system has failed miserably. Any serious student of Presidential elections knows that millions of dollars above the limits are being filtered into those campaigns from sources that do not legally have to be disclosed. Both parties have exploited loopholes in the law to such an extent that more private than public money was spent on the 1988 Presidential race. The Bush and Dukakis campaigns each raised nearly $50 million which was raised and spent outside the legal limits, and the sources of which did not have to be disclosed.

The pending measure proposes to take the same kind of deceptive system that now exists for Presidential campaigns and extend it to congressional campaigns, misleading the American public into believing private contributions to campaigns have been restricted. It then goes on, in a blatantly partisan fashion, to try to exploit differences in the operation of the two major parties by restricting Republican soft money efforts while leaving similar Democratic efforts unimpeded. The key to understanding this is that the Republicans tend at present to channel all their funds through party coffers, while the Democrats operate through an extensive network of affiliated but technically independent groups, including labor unions.

Soft money, referred to as sewer money by one newspaper, is the type of money which sneaks into the system and turns it rotten. There are no disclosure requirements and no limits on the size of the contributions. It is estimated that over $100 million in soft money is spent in support of congressional campaigns during each election cycle. To limit candidate spending while not touching soft money is to drive more contributions into this hidden, uncontrolled area of political activity. Yet, Republican efforts to regulate these expenditures in an across-the-board fashion are unacceptable to the Democrats who control the Congress.

Instead, the Democratic conference report tries to limit and control party spending while making no effort to control soft money expenditures by labor unions and other tax exempt organizations. It is a crass effort to try to hurt the Republicans and protect the Democrats. It will also, ultimately, have the same effect on campaign spending as a person does when squeezing a ballon—push in one place and the balloon pops out in another.

Worse still, while rejecting meaningful controls on soft money, some supporters of this conference report have engaged in egregious false advertising by invoking the special interest contributions made by Charles Keating in support of this bill. But over 80 percent of the donations made by Charles Keating would be unaffected by the provisions of this bill. Rather than make matters better, this bill will encourage more undisclosed campaign activity and foster more Keating-like problems.

The conference report on S. 3 contains to other major flaws. The ban on political actions committees which passed the Senate has been deleted. The bill continues to allow PAC's to contribute $5,000 each to House races, as under current law, and simply drops the maximum contribution in Senate races to $2,500. In other words, the most significant problem that the public has with the existing campaign finance system, and rightfully so, is essentially unaddressed. The reason for this is simple, but sad. So many Democrat Congressmen, especially in the House of Representatives, are so dependent on PAC's that they are unwilling to agree to get rid of them.

In short, the Democrats have brought a conference report before this body which will cost the taxpayers nearly $1 billion in every 6-year Senate election cycle, leaves PAC's essentially untouched, encourages more unregulated and unrestricted soft money spending, and protects incumbents. This is not campaign reform.

There is one provision worthy of passage and I regret that the Democrats will not agree to address it as a separate measure. It is the provision that gives candidates reduced broadcast rates.

Under S. 3, candidates who comply with the spending limits will be eligible to buy broadcast advertising time at one-half the lowest unit rate, rather than the actual lowest unit rate. This provision recognizes that the cost of television advertising is the single most significant reason for the explosion in campaign spending.

In the Senate today, at least 55 to 70 percent of the cost of a campaign goes toward advertising. Democratic media consultant Frank Greer believes the figure is even higher: "In any competitive campaign, 75 to 80 percent of the budget is going to go into television. There is one overwhelming factor in the growing cost, * * * and that is the increased rates of radio and television advertising."

In my own State of New Hampshire, we must purchase time on Boston television markets to get our message out to the public. The National Journal published statistics in 1990 on the cost of a 30-second commercial spot as measured by cost per rating point [CRP] in prime time. In 1982, the cost per rating point of a 30-second ad in prime time was $350. In 1986, the same ad cost $414, an 18.2-percent increase. More startling still is that in 1990, the cost per rating point has risen to $610, 47.3 percent more than the 1986 price and 74.3 percent over the 1982 cost.

In fact, political candidates have had to pay more for commercial time than any other advertiser. Congress tried to address this problem in 1971 by establishing a broadcast discount for candidates. It was intended to provide candidates the lowest unit rate for advertising during the 45-day period prior to the primary election and 60 days before the general election.

Broadcasters, however, quickly found a way around this rule by establishing different classes of time. The broadcasters now sell time in two forms—preemptible and nonpreemptible. Candidates, who must get their message to specified groups of voters at specific times, must purchase nonpreemptible

or fixed time. This nonpreemptible time is three to five times more expensive than preemptible time. It is sold almost exclusively to political advertisers. Rather than getting a break on advertising, candidates currently pay more than virtually any other advertiser.

A one-half of lowest unit rate provision, along the lines found in this bill, extended to all congressional candidates would alleviate a tremendous financial strain on campaigns, particularly those of underfunded challengers. This more than any other single step, could help make races more competitive. Challengers do not need to be able to outspend incumbents to win races, but they need to be able to buy enough air time to get their message across. Reducing the cost advertising will do that.

This step would affect only a small portion of the three-fourths of 1 percent of broadcasters' revenue that is attributable to political advertising. Moreover, it is important to remember that a television station's revenue is made possible by the Government grant of a scarce public resource: the airwaves.

The Senate could be debating legislation which reduces the political advertising rate in its own right. Such a bill need not provide the right to unlimited advertising at a reduced rate; I am mindful of the concerns expressed by some that reducing the rate would only lead to more advertising, not less spending. I am deeply disappointed we cannot vote on this issue separately.

Mr. President, I would like to see a campaign finance system which the American people can trust and which will not take money from their pockets. This bill costs too much, imposes unrealistic spending limits, keeps incumbents in office, and fails to cure the problem of PAC's and soft money. S. 3 is not reform, and I cannot support it.

Mr. DURENBERGER. Mr. President, I rise today to briefly state my reasons for supporting the campaign finance reform conference report.

A lot of people on this floor are arguing about the problems with this bill, and clearly there are some. But for me, that's like debating which bucket to use to throw water on a burning house.

We have a system that is being destroyed. Public confidence is eroding. Voter turn out is declining. Cynicism with leaders and politics is rising.

We may be able to survive a recession or an S&L debacle, but once we lose faith in our political system as the way to make decisions and solve problems, America is lost. Period.

I'm not voting for a perfect bill. But I sure am voting for progress. I hope the opponents of this bill in both parties, in both Houses and at both ends of Pennsylvania Avenue will stop quibbling and grab a bucket and start fighting the fire before we are all burned.

Nearly a year ago, I voted for final passage of the Senate bill because I believed it has potential to address real concerns expressed by the American people. Today we are considering a conference report on campaign finance reform that is weaker than the bill we passed in May 1991. In addition, the President has promised to veto any campaign finance reform package that contains spending limits, public financing, or different standards for the House and Senate; this conference fails the President's test on all three counts.

I had hoped that the conference committee would have worked to address some of the concerns of the President and gain strong bipartisan support. But we are operating in a highly partisan atmosphere, so I'm not surprised that for one reason or another this matter wasn't resolved.

Although the legislation before us today is a more flawed bill than the legislation we passed last year, I will nonetheless vote to support the conference report.

Campaign finance reform should accomplish four things. First, it should encourage contributions from clean sources and discourage contributions from special interests. Second, it should give a fair shake to challengers. Third, campaign finance reform should control the escalating costs of campaigns. Last, and most difficult to accomplish, campaign finance reform should improve the quality of the substantive debate on issues, so voters can make decisions based on things that really matter.

I believe that the conference report will bring us closer to the first three goals than our current system of campaigns. My basic choice today is not based on whether the conferees did a good job of holding on to the Senate's position—which I don't believe they did—but whether the bill before me now will improve House and Senate campaigns. It will.

First, the conference report encourages contributions from clean sources by requiring that candidates who want to be eligible for benefits raise a threshold amount of individual contributions of $250 or less. House candidates will be eligible to receive a third of the spending limit in matching funds for individual contributions of $200 or less. I am disappointed that further incentives for these sources are not in this conference report—a 25-percent extension of the spending cap or small in-State contributions and a restoration of a tax credit for these contributions I introduced as S. 1075.

The conference report places stricter limits on contributions from special interests. Maximum political action committee [AC] contributions to Senate candidates will be cut from $5,000 to $2,500, with an aggregate limit of 20 percent of the election cycle limit. House candidates will still be able to receive $5,000 from each PAC but will have an aggregate limit of 33 percent of the election cycle limit.

Last year's Senate bill was a much better alternative, eliminating PAC contributions altogether. The conference failed when they restored PAC contributions. But they did eliminate leader's PAC's. That's good. Taking the next logical step to prohibit transfers between candidate campaign committees should have been done. The corner has been turned on reducing the role of PAC's.

The conference report will help challengers by removing some of the unfair advantages of incumbents. PAC contributions, which tend to flow disproportionately toward incumbents, as I have said will be somewhat limited. Senate incumbents will not be able to send franked mass mailings during an election year. Unfortunately, House Members, who have received greater criticism for abusing the franking system, will not be under this restriction.

The conference report helps to level the candidate playing field in other respects, and simultaneously helps to control the skyrocketing costs of campaigns. Candidates who agree to abide by the spending limits will be eligible for low cost mail and lower broadcast vouchers, up to 20 percent of the election limit, to purchase advertising.

I must say I am disappointed that the requirement that these advertisements be from 1 to 5 minutes long was dropped from the conference report. I had hoped the time had come to depose the 30-second ad as the king of congressional campaigns. Under this conference report, candidates will be able to use public funds to purchase 30-second negative ads. That's a shame. However, I am encouraged by the condition that a photograph identifying the candidate and an audio statement that the candidate approved the communication must appear in each campaign advertisement.

I must restate my position that public financing of campaigns is not the panacea that its proponents believe it to be. Experience in my home state of Minnesota, with its public financing system of state campaigns, has suggested that public financing can actually work to he advantage of incumbents and does not necessarily curb the influence of special interests.

I am sobered by the fact that the Senate Watergate Committee in its final report specifically recommended against public financing because of its potential to corrupt the process. And in addition to those shortcomings, I can find very little enthusiasm, even among my constituents who favor campaign finance reform, for using taxpayer funded subsidies to reform the system.

With the exception of the public financing system, my consistent prob-

lem with the conference report is not the direction it goes on these matters, but that it does not go far enough. We must not oversell the virtues of this bill to the American people. It is not sweeping reform. It leaves plenty of room to game the system. It may not change the behavior of candidates in very obvious ways.

But it is progress. The house of this democracy is burning down. This bill will not extinguish the flames, but it will slow the damage.

To do nothing is to accept the fact that damage will continue. I cannot do that.

We have a stewardship responsibility as the temporary occupants of these chairs to pass on a system to our children that is as vital and workable as the one we inherited. This bill, in my judgment, helps serve that purpose.

After almost two decades of failure, we are sending a campaign reform bill to the President's desk. It has been a difficult task to get this far. The distance we still need to travel is very long. But succeeds breeds success. I hope that we will be able to use the debate and disagreements on this legislation constructively, as the foundation for future efforts to reform the system.

Regardless of the vote on this particular piece of legislation today, I encourage my colleagues on both sides of the aisle to put aside partisan differences and sincerely work to restore public faith in the political process, not for own sakes and self-interest, but for those who will live in this house of democracy decades from now.

Mr. GLENN. Mr. President, the Senator from Oklahoma [Mr. BOREN] first brought the necessity of campaign finance reform to the attention of the Senate in 1985. He has continued to lead this effort for many years through all the difficulties. I congratulate him on his work and am pleased to be a cosponsor of this legislation.

In 1985 and 1986 even its consideration was a battle. In 1987, we had a record number of cloture votes to end the filibuster. In 1988, we saw a scene right out of Frank Capra's "Mr. Smith Goes to Washington," an all night filibuster with the Sergeant at Arms arresting absent Senators and bringing them to the Senate chamber. In the 101st Congress, the Senate finally passed a bill only to see it die at the end of the Congress.

In this 102d Congress we have a great opportunity. Both the House and the Senate have agreed to this conference report. Perhaps this is not a perfect bill, but the legislative process has worked its will. The next roadblock to needed reform appears to be a Presidential veto.

This is a major overhaul of the way in which candidates for the U.S. Senate and House of Representatives raise and spend money for election campaigns.

Nothing is more important to our system of representative government than the guarantee of free and fair elections. Many citizens in our Nation feel that the credibility of elections has been eroded by election campaigns whose costs have skyrocketed and whose public purposes are paid by private dollars. I believe that the bill before the Senate brings vast improvement to our current system. It will provide many of the improvements we brought to Presidential elections in the 1970's.

In my early campaigns, less money was raised and spent, political action committees were few, contributions were almost unrestricted, and reporting requirements were all but nonexistent. Today, millions of dollars are raised through direct mail, PAC's, and endless dinners, receptions, and telephone calls.

Once raised, extraordinary amounts of money are spent on consultants, polling, computerized demographic analyses of constituencies, and television advertising.

We all remember the Watergate era that led to the current campaign finance rules. Reform was long overdue at that time. Now, we again confront the question of money in politics. In the 1970's we sought to reduce the impact of special interests by limiting contributions. The rise of PAC's, bundling, and soft money, has seriously eroded the credibility of past reform.

Campaigns are too expensive and fundraising detracts from the main purpose of the campaign. Let's restrict campaign spending through voluntary limits. No meaningful reform can be enacted without limits.

Political action committees [PAC's] play too large a role in campaigns. Let's reduce the role of PAC's.

Soft money and bundling have undermined reporting requirements and allowed large contributions to go unreported. Let's eliminate these loopholes.

Our current campaign finance structure is flawed. It encourages suspicion. It distracts candidates and voters from the issues that are truly important in a campaign.

Mr. President, it is past time to act. Public confidence in our electoral processes has been seriously damaged. Let's correct those shortcomings through the passage of this conference report. I call upon the President to carefully review this legislation and it is my hope that he will have the wisdom to sign this bill into law.

Mr. GRASSLEY. Mr. President, my colleagues earlier mentioned that the American Civil Liberties Union opposes the conference report to S. 3, the so-called campaign reform bill

The ACLU says this bill "will not solve the problems of fairness and financial equity" that proponents of this legislation claim.

Even more interesting is that the ACLU points out that the limits on campaign contributions and expenditures "impinge directly on freedom of speech and association."

This is an important point to understand. Speech is what is really restricted by this legislation, our constitutionally protected right to free speech.

Proponents of S. 3 argue in terms of contributions, money, and runaway spending. But in reality, it is speech, not spending, that is under attack by S. 3.

And if incumbents can pass legislation such as S. 3, that restricts the ability of challengers and their supporters to speak out against the incumbent, what better incumbent protection could you ask for?

The Supreme Court long ago settled this issue in its Buckley versus Valeo decision. The Court stated that "no Government interest that has been suggested is sufficient to justify the restriction on the quantity of political expression imposed by campaign expenditure limitations." The Court also underscored that such restrictions would actually hurt challengers with little name recognition.

Four years ago, Senate Democrats attempted to overturn the Buckley versus Valeo decision through a constitutional amendment. This legislation was understandably nicknamed the "Democrat incumbent protection bill." This legislation would have allowed Congress and the States to virtually prohibit all campaign expenditures. Now that's the ultimate in incumbent protection.

During the 101st Congress, a similar resolution was introduced, but with some modifications. This new version was not quite so draconian because it stipulated restrictions had to be reasonable, whatever that means.

And now, according to the American Civil Liberties Union, S. 3, this campaign reform package presented by the Democrats in both the Senate and House, represents another unconstitutional attack against freedom of speech.

Mr. President, I cannot help but be reminded of the embarrassing moment for this body last Congress when its Members wrapped themselves in the Bill of Rights to fight our efforts to protect the American flag from desecration.

We were told we must not risk tampering with the speech clause to protect the American flag from flag burners. Yet these same Senators thought it was just fine, to tamper with freedom of speech in order to protect their own incumbency, their own reelections.

Is it any wonder Americans are getting sick and tired of Congress? What does it say about values and integrity? How out of touch has Congress become? Is it that difficult to understand? Where are our priorities? It is as simple as this:

If freedom of speech should be restricted at all, should it be to protect the American flag? Or to protect political incumbents?

Should it be to prohibit the physical burning of the flag, or the verbal burning of politicians?

Mr. President, I hope our colleagues who opposed a constitutional amendment to protect America's flag, do not make the mistake of supporting S. 3, which will protect incumbents, by unconstitutionally restricting speech.

During the debate last Congress over protecting the flag, I raised this question about this self-serving, double standard.

At least one outspoken opponent to our flag efforts was shook up enough to withdraw his cosponsorship to Senate Joint Resolution 48, which amended the Constitution to protect incumbents.

Today, others should be so moved as well, and should vote against S. 3.

Mr. President, if you cut off spending, you cut off speech. It takes money to deliver your message through print and broadcast media. It takes money to pay for political travel to speak with voters. And if you cut that spending off, the one hurt most is the challenger who has no established name recognition and who has no adequate forum to express and disseminate the challenger's views.

Mr. President, the problems with taxpayer funding of campaigns should be equally obvious to this body. Our budget deficit could reach $400 billion this year. Our national debt is at $4 trillion. Voluntary taxpayer contributions to the Presidential election fund is dropping off.

Yet proponents of S. 3 expect us to believe Americans want to be forced to spend hundreds of millions of their tax dollars to assure the reelect of incumbent politicians. Amazing!

Mr. President, campaign reform may be warranted, but it should be a product of bipartisan support. It should not be a product, such as S. 3, which provides incumbent protection for the political party that has exercised a virtual lock on control of Congress for the most part of four decades.

Mr. McCAIN. Mr. President, it is with serious reservations that I am today supporting the conference report on S. 3, the Congressional Campaign Spending Limit and Election Reform Act of 1992.

Since coming to Congress, I have consistently called for institutional and campaign reform. The Congress is out of touch with the American people. The Congress' insistence on the status quo, and blatant disregard for public opinion—such as when it voted itself a payraise—is evidence that something must be done.

Our constituents have justifiably grown angry.

I share the public's frustration. I have again and again sought to bring reform to this institution. Unfortunately, institutional zealots and inside-the-beltway, entrenched politicians have put self-interest ahead of the public good.

Mr. President, I am here to once again clearly state that the public will not long tolerate an imperial Congress.

I am supporting the Campaign Spending Limit and Election Reform Act of 1992 conference report, not because it is the best bill the Congress could pass—it is far from it—but because it is the only bill before us.

Mr. President, the bill before us does have many laudable features. First, and most importantly, the bill seeks to curb the money chase. It is unfortunate, but the focus of modern campaigns has shifted from issues to fundraising. This change has served neither the public nor the candidates themselves.

Candidates for the Senate now on the average must raise $15,000 per week, each week, for 6 years in order to fund a viable campaign. This must be ended, and this bill makes great steps in that direction.

The conference report contains voluntary spending limits which will do much to end the excessive search for campaign funds. These spending limits will also serve to lessen the influence of big-money contributors and special interests.

The spending limits and benefits system in the bill also does much to level the playing field for challengers. Currently, incumbents receive the vast majority of special interest PAC money. This bill will limit the amount of money any PAC can give to a Senate candidate. Additionally, the spending limits prevent incumbents from amassing huge campaign warchests that enable them to outspend challengers by excessive, and often unfair, amounts.

Further, the conference report ends the practice known as bundling. Many special interest groups has continually engaged in this abuse of the campaign system. I am very pleased that the conference report bans this objectionable practice.

The bill also mandates candidate debates and forces candidates themselves, not actors, to appear in any negative television advertising they may broadcast.

However, Mr. President, this conference report is also severely flawed.

First, the conferees, of which I was not one, blatantly disregarded the President's counsel and agreed to one set of rules for the Senate, and a completely different set for the House. This action has for all practical purposes ensured that the bill will be vetoed. Anyone interested in passing a bill into law would have sought to work toward a compromise on this issue.

Second, the bill the Senate originally passed called for a complete ban on political action committees [PAC's]. I support such a ban. However, the conferees disregarded the Senate ban and merely readjusted the PAC limit for the Senate. The bill maintains the status quo for the House of Representatives.

Third, the bill does little or nothing to ban soft, or sewer money in political campaigns. Sewer money is corrupting the campaign system. The bill before us limits the soft money that political parties can contribute to any given campaign, but in a purely political move, ignores union labor soft money.

Fourth, I believe that any real campaign reform must codify the Beck decision. It is a violation of the civil liberties of union and nonunion members alike when forced union dues are used in the political system. I will be working to ensure that the Senate does at a later time, codify into law the Beck decision.

Mr. President, the public is demanding real reform. It will soon see through the facade of reform that is before us in this conference report.

To be fair, the conference report does seek to curb the money chase and limit excessive campaign spending. It is a step in the right direction. However, as I have said, more, much more, must be done before this bill lives up to its title.

For example, during Senate consideration of S. 3, I offered an amendment to prohibit the rollover of huge incumbent campaign warchests. Incumbents have traditionally used left over money from one campaign to the next, usually using it to dissuade and intimidate potential challengers. My amendment would have required that at the end of each election, all leftover funds would either have to be returned to contributors or turned over to the Treasury to relieve the deficit. My amendment would have ensured a much more level playing field between challengers and incumbents in Federal elections.

If my colleagues had truly wanted to pass reform, they would have supported my amendment. However, on a mostly party line vote, my amendment was defeated.

Mr. President, I will not end my crusade for full reform. I have promised my constituents that I will again and again, as long as it takes, make the Senate address the issues of true, comprehensive reform. We are a Congress of the people, not above the people. We should act as such.

Mr. BINGAMAN. Mr. President, in this debate on the conference report on campaign finance reform, it is important to cut through the knot of rhetoric and complicated reform schemes to the central question: what is the fundamental problem we're trying to fix?

As one who has run two Senate campaigns, first as a challenger and second as an incumbent, I believe the problem is clear and simple. The skyrocketing

cost of Senate campaigns—$2.8 million spent on average for major party candidates in 1988, which is 2½ times what it was in 1980 and more than 5 times what it was during the mid 1970's—has made running for office just too expensive. It's too expensive for the candidate. And, more importantly, it's too expensive for the citizens, voters and taxpayers of this Nation. The costs everywhere are enormous.

First, it's too expensive in the time required of our elected officials for a seemingly endless array of fundraising activities. As the expected cost of an election campaign soars, office holders are forced to divert more and more of their time, energy and worry from attending to crucial public-policy problems to raising more and more money for their campaign coffers.

When you have to raise an average of $1800 a day, every day for 6 years for your next reelection battle, you are not spending the time you should, listening to your constituents, studying the dimensions of the challenges facing the Nation, working out with your colleagues the details of legislation which produces real solutions to real problems.

Second, the current system is too expensive in the perceived loss of integrity of our elected officials, of the Senate itself. Under the current system of ever more costly campaigns, candidates are forced to accept more and more money from wealthy individuals, networks of powerful business figures and special-interest lobbies. With each $1,000 increase in the expected cost of a campaign, it becomes harder and harder to turn down a proposed contribution. This is an unfortunate fact of life, but it doesn't have to be this way. We do have a choice.

I am a strong supporter of the conference report because it addresses this very serious problem head-on. The bill attempts to limit overall campaign spending to $950,000 in smaller States, such as my home State of New Mexico, and up to $5.5 million in California—levels clearly below what would otherwise prevail.

A limit on overall spending cuts to the very heart of the problem we face. It is the key ingredient, in my view, to any serious reform proposal. It would create fair and competitive races between the two major parties in every race across the country.

Unfortunately, the implementation of spending limits has been complicated by the Supreme Court decision in Buckley versus Valeo. This case, from 1976, says that the free-speech clause of the Constitution requires that no individual candidate be forced to stop spending at a certain dollar amount. The conference report, in an attempt to balance free-speech considerations with the need for spending limits, addresses this complication in both a creative and constructive way.

The bill says that if a candidate agrees voluntarily to the specified spending limits, he or she is entitled to several benefits. First, a candidate who agrees to the spending limits will be entitled to reduced mailing and broadcast rates, and to receive vouchers equivalent to 20 percent of the spending limit for prime-time television advertising. This incentive is coupled with the requirement that at the end of the candidate's TV ads, the candidate must appear on the screen to take responsibility for the ad. This encourages substantive ads, not the negative, 30-second hit and run ads that now bombard our airwaves.

Second, public funding would be made available if an opposing candidate exceeds the spending limits. This provision is clearly designed to provide the necessary incentive for candidates to abide by the spending limits that we need.

Finally, the conference report contains severe restrictions on political action committees, or PAC's. It limits contributions from PAC's to 20 percent of the spending limits, and it cuts the maximum PAC contribution by 50 percent to $2,500. The conference report also encourages small, in-State contributions from individuals by requiring that no less than 10 percent of the spending limit come from home-State voters that are $100 or less.

The conference report also contains other provisions that address past and continuing abuses of our campaign finance system:

Restrictions on and full disclosure regarding the raising and use of soft money by the political parties;

The prohibition of bundling, a practice by which parties channel bundles of supposed individual contributions to their candidates nationwide; and

Solutions to so-called independent expenditures from out-of-State special interest groups, which in effect can destroy any campaign spending limit arrangement. Candidates in smaller states are particularly vulnerable to such practices.

These are all good provisions, and they dovetail to achieve one objective—to stop the skyrocketing spending that now mars the campaign process in the Senate.

By adopting spending limits, the Senate would send a clear message that we intend to level the playing field. The spending limits under the conference report are high enough to allow challengers to mount effective campaigns, while keeping either side from gaining an unacceptable advantage. I also believe that spending limits would work to encourage challengers, who so often are scared off by the natural advantage that incumbency gives to office holders when it comes to raising money.

Achieving our objective of reining in the unacceptable cost of running our office would return our elected leaders to minding the business of governing—the work we send them to Washington to do. And it will reinforce to them the idea that the only people they need depend on are not the wealthy, or the powerful, or the special interests, but rather the citizens, the voters and the taxpayers they were elected to serve. This is why the vast majority of Americans support such spending limits. We can no longer afford to have it any other way. It's just too expensive.

In conclusion, Mr. President, I note that we have heard a lot recently about what is wrong with the Congress of the United States. And a lot of attention has been paid to the so-called House banking scandal. But I believe that if we were to identify the single most important obstacle to improving the responsiveness and the effectiveness of the Congress, it would be the way in which we finance campaigns. And while the conference report before is not a perfect bill or a final solution—no bill ever is—it is the one real, concrete proposal for action which will in fact cause drastic change in the way Congress will work for years to come.

Therefore, the choice today is as follows. Are you committed to fundamental change in the way which Congress works? Or, are you for the status quo in the Congress? If you are committed to change, you have no alternative but to vote for this conference report. If you are not committed to change, if you are satisfied with the status quo, vote "no."

But if you vote "no," I for one do not want to hear any more rhetoric bemoaning the need to reform Congress, lamentations about the inability of Congress to be effective, or the further wringing of hands and gnashing of teeth about Congress' becoming an obstacle to progress. This is our one, real, concrete chance to take action for fundamental change for Congress. I will take this chance. To those who choose not to take it, spare us in the future all those heart-felt speeches about how we could cut the budget, if only Congress could act; or about how we could provide affordable health care for every American, if only Congress could act; or about how we could turn this economy around, if only Congress could act. This is our chance to act for change in Congress—now.

I urge my colleagues to vote for this conference report—to vote for the change which will reinvigorate our democracy.

The PRESIDING OFFICER. All time has expired.

Mr. BOREN. Mr. President, I ask unanimous consent that I might be allowed to proceed for 1 minute without it counting against the time remaining for the two leaders on the bill.

The PRESIDING OFFICER. Is it the Senator's intention to push back the vote from 3:30 p.m.?

Mr. BOREN. That is correct.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOREN. Mr. President, it may not take as long as 1 minute. This has been an effort that has gone on for a number of years going back to the time that Senator Goldwater and I first introduced a bill to try to limit the influence of PAC's on the political process almost 10 years ago, and this legislation which now seeks to limit total campaign spending in the amount of money coming into campaigns.

THANKS TO THE STAFF

I especially want to thank those staff members, both present members of the staff and former members of the staff, on this side of the aisle who have contributed to this effort over time on our side. And my own office staff, Greg Kubiak and John Deeken have both played roles over the years in helping to research the need for this legislation; Dan Webber and also Joe Harroz, current members of my staff.

From the majority leader's office, Bobby Rozen has been active not only in helping to draft this legislation this year, but in prior years as well.

From Senator FORD's staff, personal staff and the Rules Committee staff, including Jim King, Jack Sousa, and Tom Zoeller, all deserve special mention for the effort which they have made in helping to craft this particular piece of legislation, and in assisting us in preparing it and assisting us also on the Senate side in the conference negotiations.

So I simply want to express my appreciation as manager on this side to those members of the staff who have given us invaluable assistance on this measure.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. I ask unanimous consent for 1 minute for the same purpose.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that some documents on this issue be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONFERENCE REPORT ON S. 3—NOT LEGISLATIVE HISTORY

A year ago, Senate Democrats pushed through S. 3, legislation to impose mandatory spending limits and forced taxpayer financing of congressional campaigns. They fended off amendments requiring public reporting of special interest soft money and disclosure of taxpayer-funded broadcast ads. The House passed a markedly different bill just before adjourning last year.

Early this year, House and Senate Democrats began meeting by themselves to craft a Conference Report. The Conference on S. 3, which the House has approved and the Senate will vote on this week, is entirely a Democratic product. More importantly, the Conference Report on S. 3 is completely different from the bill passed by the Senate last year, in the following ways:

THE PACS ARE BACK

After belatedly adopting the Republican PAC ban in S. 3, the Democrats reversed themselves in conference, adopted a slightly lower PAC contribution limit ($2,500 in Senate races), and left the House untouched except for the comfortably high aggregate limits.

PSEUDO-SPENDING LIMITS

The presidential system illustrates the folly of spending limits: presidential spending far outpaces spending in "unlimited" congressional races, while fat cats and special interests openly circumvent the limits through endless loopholes. Yet even if you believe in spending limits, the Conference Report contains only pseudo-limits. This legislation has the loopholes built-in, like unlimited compliance costs in House races, through which you could drive a truck full of lawyers and CPAs.

BALKANIZED REFORMS

The Report haphazardly sets different rules for the House and Senate, like conflicting PAC limits, franked mail rules, taxpayer financing mechanisms, and exemptions from spending limits—without any rationale. The Report drops an amendment to S. 3 requiring identical PAC limits for House and Senate.

VETO-BAITING

Democratic conferees have loaded up the Report at the last minute with provisions attacking administration "perks", all outside the scope of conference. Presumably, the purpose is to ensure a veto at all costs in order to score political points and prevent this disastrous bill from becoming law.

SOFT-MONEY SOFT-SHOE

Pretending to ban "soft money", the Conference Report instead throttles political party activity in federal elections, including voter registration and turnout. As Washington Post columnist David Broder argues, parties are "the only institutions in America that have an interest in electing non-incumbents". Yet the Report does absolutely nothing about special interest soft money. A phone bank run by your campaign or the party would face draconian limits; but the labor-operated phone bank next door would go scot-free.

BUT SOME THINGS NEVER CHANGE

Despite overwhelming public opposition, taxpayer financing is still in the Conference Report. PACs are back; special interest soft money is above the law; and spending limits have been replaced with spending sieves—which filter out the non-corrupting sources of Republican support, like small private donations, and protect the invidiously corrupting sources of Democratic support, like labor soft money and beltway PACs.

The S. 3 Conference Report is like closing the House bank just for Republicans, but keeping it open for Democrats. Compare the Democrats' Conference Report to the "old" S. 3 and to the Republican alternative bill, and vote "yes" for reform—by voting "no" on the Democrats' anti-reform Conference Report.

[From the Christian Science Monitor, Feb. 25, 1992]

PUBLIC FUNDING—A FAILED REFORM

(By Eugene McCarthy and Mitch McConnell)

The First Amendment to the Constitution, which guarantees Americans the right of free speech, was the most important electoral reform ever enacted.

So why, two centuries later, is the United States government bribing people to give up this right through the Presidential Election Campaign Fund?

And why are candidates who refuse to participate in this billion-dollar boomdoggle being discriminated against, excluded from debates, and kept off state ballots?

Our answers could fill a book. They point to two conclusions concerning the Presidential Election Campaign Fund: (1) it should not be used as a measure of political viability; and (2) it should be abolished.

The Presidential Election Campaign Fund was created by the Federal Election Campaign Act of 1974 (FECA). This law, passed in the "reform-mania" that gripped Congress in the wake of the Watergate scandal, advanced two key changes in the country's electoral system: public financing and mandatory limits on campaign spending.

The US Supreme Court in the landmark 1976 *Buckley* v. *Valeo* decision, struck down the mandatory spending limits as an unconstitutional restriction on free speech. The high court ruled that the only constitutional way for the federal government to limit speech was to, in effect, bribe people to limit their speech voluntarily.

If Congress wanted to limit campaign spending it was going to have to use taxpayers' money, through public financing of campaigns, to do it. And so the court allowed the Presidential Election Campaign Fund to stand as a means of enticing candidates into accepting voluntary spending limits.

Since 1976, the Presidential Election Campaign Fund has provided presidential candidates grants drawn on the US Treasury to pay for their campaigns. In return for this generous public subsidy, candidates must agree to limit their campaign spending to an amount prescribed by the government.

The subsidy is so generous that most major candidates cannot afford to refuse it. The two major candidates in the 1992 general election each will receive grants of $55 million. Only two major candidates, not wanting to use taxpayers' money for their campaigns, have declined: John Connally in 1980 and Eugene McCarthy in 1992.

A reformer's dream when it was enacted, the Presidential Election Campaign Fund has become the taxpayers' nightmare. The fund props up a failed system of spending limits, in which special interest soft money (off-the-books, unregulated, and unlimited) flows through innumerable loopholes by the hundreds of millions of dollars.

Further, the fund has devoured half a billion taxpayer dollars that could have been put to infinitely more worthwhile uses. And taxpayers have been forced to financially support the causes of candidates they otherwise would not support.

Not only are participating candidates being bribed to restrict their First Amendment freedoms, but even those candidates who refuse this bribe on principle are finding their rights infringed by this fund. That is what is happening to the McCarthy '92 presidential campaign.

The Presidential Election Campaign Fund is now being used to gauge whether a candidacy is serious. The national media are using it to determine which candidates merit being seen, heard, or written about.

The fund is also used by some states to determine whether a candidate will be placed on the ballot in primary elections.

In other words, if a candidate refuses to sign up for the fund, or is not "generally recognized in the national news media" (often two sides of the same coin), then that can-

didate can be denied the right even to run. Such a candidate is subject to exclusion from some state primary election ballots and is not invited to appear or participate in media-sponsored "candidate debates."

It is absurd—if not unconstitutional—to punish candidates for turning down taxpayer funds to pay for their campaigns. The Presidential Election Campaign Fund should not even exist, let alone be used as a political credibility barometer.

[From the Wall Street Journal, Feb. 5, 1992]

TAXPAYER-FUNDED CULT

You may never have heard of Lenora B. Fulani, the presidential candidate of the New Alliance Party, but your tax dollars are paying for her anti-Jewish and pro-Libyan campaign. So far Ms. Fulani's tiny party has collected checks totaling $763,928 in federal matching funds. The story of the New Alliance Party is a cautionary tale for those who think public financing of elections would invigorate U.S. politics. More likely, it would only make it fringier.

The New Alliance Party's windfall comes from a federal law that requires the government to match dollar-for-dollar up to $250 of contributions to any presidential candidate who can raise $5,000 in each of 20 states. This isn't the first time the NAP has cashed in on the ability of its fanatical followers to raise money door-to-door. In 1988, Ms. Fulani collected nearly $900,000 in federal matching funds.

The New Alliance Party was founded by Fred Newman, a former philosophy professor, who in 1974 joined the conspiracy-obsessed party of Lyndon LaRouche. Mr. Newman broke with LaRouche to form the New Alliance Party. Mr. Newman's 15 "therapy centers" teach that every person is dominated by "a dictatorship of the bourgeois ego" that must be overthrown in a personal revolution so as to liberate the proletarian ego. Patients at the therapy centers often become devoted workers in the New Alliance Party.

At a 1988 event Ms. Fulani accused Israel of "genocidal policies" and ripped off portions of an Israeli flag. Mr. Newman has said Jews have "sold their souls to the devil—international capitalism." In 1987, the Libyans paid for Ms. Fulani and other NAP members to go to Libya and protest "genocidal U.S. bombing" of that country. At the same time NAP members held a pro-Libyan rally in front of the White House.

We seem to be living through a time that breeds groups of people who have marginalized themselves well beyond the norms of American-political and cultural life. While it is in the U.S. tradition to give them a wide berth, it is by no means clear that taxpayers should have to pay for their political campaigns. Mr. LaRouche's many campaigns for President were also lavishly funded by the federal government until his fraud conviction. No one doubts that David Duke, whose campaigns for office are his livelihood, will soon successfully apply for federal matching funds.

The closest thing the U.S. has to a nationwide referendum on public financing of campaigns comes when Americans check a box on their tax form that asks if they want $1 of their taxes to go to a presidential election fund. Even though it's made clear no one's taxes will go up, the results are overwhelming. Every year the number willing to use tax dollars to bankroll political candidates declines; last year only 21 percent agreed. Despite all this, the Federal Election Commission last month decided to spend $120,000 to hire a PR agency to urge people to send $1 to the same fund from which Ms. Fulani's subsidies flow.

Election reforms are certainly needed to restore competition in politics. It would help if we scrapped the $1,000 limit on individual contributions imposed in 1974, or at least raised it to $3,500 to account for inflation since then. Term limits would bring new blood to politics. Offering voters a None of the Above option on the ballot would make many routine elections more meaningful. But outside the Beltway, almost no one believes the public-financing schemes being debated in Congress are any solution.

[From the Washington Post, May 16, 1991]

ELECTION REFORM THAT FETTERS FREE SPEECH

(By Mitch McConnell)

There are plenty of good reasons to be against S. 3, the huge campaign finance bill lumbering through the Senate: It's a politicians' entitlement program, it's rigged for incumbents, and experts say it won't do anything to reduce campaign spending or special interest influences.

But the most serious reason for opposing S. 3 is that this bill is the most aggressive attack on free speech since the Alien and Sedition laws. Even if the bill limps through both houses and survives an expected presidential veto, it will be pronounced DOA on the steps of the Supreme Court.

S. 3 enforces spending limits in Senate election campaigns by imposing Draconian penalties on anyone who refuses to comply. This runs headlong into the Supreme Court case Buckley v. Valeo, which held that spending limits are essentially a limit on speech and therefore cannot be coerced.

The Buckley decision did allow Congress to offer candidates public money as an incentive to limit spending—provided that the system was completely voluntary. That is how presidential elections work: Candidates may forgo the subsidy (John Connally did in 1980), but they are not punished for ignoring the limits.

S. 3 is completely different: Nonparticipating candidates not only forgo public financing, but they also lose a valuable discount rate for their TV ads. And if they exceed the spending limit—even by $1—they trigger an avalanche of public money for their opponents. In a perverse twist on Buckley, S. 3 makes spending limits the "deal you can't refuse," using public money and other benefits to bludgeon candidates into submission.

S. 3's constitutional problems don't stop there. The bill gives candidates cold cash to battle "independent expenditures," efforts by private citizens to affect an election. Thus, David Duke could get millions of tax dollars to combat efforts against him by the NAACP and B'nai B'rith. In effect, S. 3 uses the power of the public purse to overwhelm private political speech.

The bill also discriminates against citizens who want to support candidates in other states. This ignores the fact that members of Congress are national figures. Many members, because of committee post or personal crusade, are leaders on issues of national significant. To draw state lines around the right to support candidates is to restrict every citizen's right—as an American—to participate in national issues and ideas. It is simply inane that KKK member in David Duke's home state should have more right to contribute to him than an out-of-state civil rights worker would have to help his opponent.

It is also unconstitutional. The Buckley court found only one acceptable reason to restrict contributions: to prevent the appearance or reality of corruption. There is nothing about out-of-state money that makes it more corrupting than in-state money. If the Keating Five scandal taught us anything, it is that when a contribution has some connection to the state, even the most blatant quid pro quo can be justified as "constituent service."

Finally, S. 3 gets downright nasty in regulating political advertising. The bill forces all nonparticipating candidates to declare in their ads: "This candidate has not agreed to abide by the spending limits * * * set forth in the Federal Election Campaign Act." This disclaimer clearly is designed to embarrass such candidates, and implies that they are scofflaws when their only "crime" is the full exercise of their First Amendment freedoms.

Like the McCarthy era's "loyalty oaths," S. 3's degrading disclaimer would be struck down by the Supreme Court as an impermissible speech content requirement.

S. 3 has as much chance of surviving the Supreme Court as Saddam Hussein would have at an Army-Navy game. Before it gets that far, however, Congress should act responsibly regarding the bill's unconstitutionality. Members of Congress swear to uphold and protect the Constitution. If a bill's unconstitutionally is firmly established under legal precedents, as it is with S. 3, then it is the duty of every member to stand by the principles they have sworn to protect.

Advocates of a flag-burning ban went to extreme lengths to ensure its constitutionality, checking with legal scholars and adding language to require expedited Supreme Court review. No such efforts have been made regarding S. 3. So before this bill is passed out of the Senate, I will offer an amendment requiring expedited Supreme Court review of any constitutional challenge to it.

Congress should take special precautions with S. 3 precisely because it is not just another flag-burning bill that restricts the trivial right to torch Old Glory. S. 3 is a neutron bomb of a bill, aimed at the heart of political participation in America. By forcibly limiting campaign spending, S. 3 squeezes out small donors and handicaps challengers with broad support. If it ever became law, this bill would noticeably shrink very American's right to be involved in politics.

The most revolutionary election reform ever enacted in this country was the First Amendment. The core of that reform was the ideal of unlimited, unfettered, unregulated speech. It would be a tragic irony to compromise that ideal in the name of election reform.

[From the Washington Post, June 5, 1991]

POWER TO THE PARTIES

(By David S. Broder)

Perhaps because he came to office as an unelected president, perhaps because he had been so close for so many years in Congress to his own western Michigan constituents, Gerald Ford worried even more than most politicians about staying in touch with grass-roots America.

The secretary of health, education and welfare in his administration, former University of Alabama president David Matthews, shared Ford's understanding of the importance of being connected to Main Street thinking. As president of the Kettering Foundation, he has kept his focus on the damaged links between the governed and those governing in this republic.

The foundation has just published the latest and most important in a series of reports

on that topic, called "Citizens and Politics: A View From Main Street America." It is so right on so many fundamental matters that its silence on one vital topic is all the more astounding.

The body of the report is a summary and analysis of 10 focus groups, with cross-sections of people, held in scattered cities across the nation. Six were held in the middle of last year; four others, this spring. But the Harwood Group, which conducted the sessions, found no significant shift from prewar to postwar attitudes on politics.

In both time periods, and in all 10 sessions, those interviewed expressed a disdain and distrust for politics so deep that Mathews is well-justified in saying that "the legitimacy of our political institutions is more at issue than our leaders imagine."

That view is amply confirmed by the experiences I have had in the last five years when interviewing voters for The Post. Those interviews also bear out two other points emphasized in this report that contradict some of the conventional wisdom.

First, the problem is not voter apathy—but frustration. Citizens "argue that politics has been taken away from them—that they have been pushed out of the political process. They want to participate, but they believe there is no room for them," the report says.

Second, fears that this generation of Americans has become selfish, self-centered and devoid of concern for community and country are unfounded. On the contrary, millions of people are actively involved in neighborhood or community efforts. These require political skills (organizing, agenda-setting, negotiating), but they sharply separate them from the politics they despise. At the level at which they are personally involved, they see a possibility of change and accomplishment. Politics—which to them means mostly national and state government—is beyond their influence and, therefore, they believe, beyond redemption.

"Politics," said a Los Angeles woman, "is rules, laws, policies. This has nothing to do with why I am involved in my community."

All that, from my experience, is on target and has important implications. It means, among other things, that good-government reforms like public financing of campaigns or a ban on politicians' honoraria address only symptoms, not causes, of public disillusionment.

The root cause is that people have lost their belief that as individuals they can influence the distant decision-makers in Washington or the state capital. "They believe they have been squeezed out," the report said, and the system they should control has been usurped by "politicians, powerful lobbyists and the media," who communicate and negotiate with each other but ignore the concerns the citizens want addressed.

The report suggests a variety of ways that the shattered connection between citizens and governments might be rebuilt. But, astonishingly, its analysis does not even mention that in the last 40 years, we have seen the steady decline of the political party organizations that once functioned as the links between local citizens and governments at all levels.

Do elected officials no longer hear or heed what citizens think? It is largely because the political networks, from precinct captains to county and state chairmen, that once carried those messages, no longer exist.

Do interest groups and political action committees now dominate the governmental process? It is largely because aspiring candidates and elected officials no longer can look to their parties for financial and grass-roots organizational support.

Do the mass media now play an exaggerated role in promoting or crippling political careers and in setting the issues agenda? It is largely because communication moves almost exclusively through the media, not up and down the party networks from precincts to Capitol Hill and the White House.

Disillusioned citizens are right in thinking that individuals are nearly powerless in a mass society's politics. This report tells us, sadly, that they have entirely forgotten that parties existed to inform, to mobilize and to empower them—the very thing they want but no longer know how to get.

The report correctly emphasizes that American democracy can only be rebuilt from the bottom up. Now someone needs to remind people that we don't need to invent a solution. We need only to remember what it was like when Republican and Democratic precinct captains worked and organized neighborhoods across America.

[From the Washington Post, Feb. 13, 1992]

IN DEFENSE OF "SOFT MONEY"

(By James J. Brady and Joseph E. Sandler)

Strengthening the role of state and local political parties is one of the best antidotes to the special interest, big money, big media politics that has poisoned our democracy. State parties have to forge candidates of different backgrounds and ideologies into a winning ticket, forcing them to find common ground, to articulate broad themes that resonate with the greater public good. Because the benefit of money contributed to state parties is diffused among many candidates, such contributions are generally useless for "buying influence" over particular elected officials.

And little if any state and local party money goes to expensive negative media campaigns. Rather it is used for grass-roots volunteer activity that involves ordinary people in politics on a continuing basis. Such activity gives people a chance to make a difference in the political process and thereby helps combat the widespread alienation from and cynicism about politics that currently plague our system.

How ironic, then, that in the name of reform, proposals have been advanced that would severely weaken, if not destroy, state and local party organizations. The target of these proposals is so-called "soft money."

Perhaps no political term is more often misused or misunderstood than "soft money." At bottom, "soft money" is nothing more than money contributed to political parties subject to regulation by state law, rather than federal law. When a state sponsors activity that benefits both federal and state or local candidates—for example, a telephone bank or brochure that promotes the party's candidates both for governor and for U.S. Senate—part has to be paid with state-regulated funds and part with federally regulated funds. Makes sense, right?

Not according to the would-be reformers. They claim that, where state laws permit large individual or corporate contributions, the state-regulated portion has turned into a giant loophole for contributions by the wealthy—allowing them to put huge sums of money into the electoral process to try to win the favor of federal candidates. And they are particularly galled that this appears to take place in presidential elections, which are supposed to be publicly financed.

This horror story has become, through repetition, a virtual catechism among some reform groups and their supporters in the press. But it bears only the slightest resemblance to the truth.

First, much "soft money" is used to pay a portion of the normal operating expenses of state and local parties, which, after all, have to stay in business year-round, every year, election or no election. This kind of "soft money" is the lifeblood of state and local parties; there are few alternatives.

Should we be concerned about the use of large individual, union or corporate contributions for this purpose? Not at all. In real life, corporate lobbyists don't try to influence federal legislation by paying the electric bill for the local county Democratic Party—not when their PACs can simply give $10,000 a pop to members of powerful congressional committees.

Second, most "soft" (i.e., state-regulated) money really is raised and spent to help elect state and local candidates. Much of the benefit from party-wide activity goes to the bottom of the ticket, where candidate identification is lowest and party identification matters the most. Handing out a paper ballot at the polls really doesn't influence many votes for president in the wake of a $50 million media campaign—but it influences a lot of voters for sheriff. Thus the justification for federal limits on "soft money"—that it affects and corrupts the presidential race—is largely nonsense.

Third, these state and local races really do matter to state and local parties, contrary to the myopic Washington-oriented perspective of some of the reformers. At stake in the 1992 elections will be 12 governorships, nearly 6,000 state legislative positions and tens of thousands of local offices. These officials are on the front line in confronting the problems of jobs, education, health care and the environment. Their election campaigns are not mere "excuses" to spend money for congressional or presidential candidates. It should be up to the state—not Congress—to decide the role of state parties in the financing of campaigns of these states and local officials.

Finally, the critics who say that only public funds should be spent in presidential election campaigns misunderstand the way the current law works. National parties can spend only federally regulated funds to help the presidential campaign, subject to strict spending caps. State parties can also sponsor certain grass-roots activity on behalf of the presidential candidate—using only federally regulated funds, or a mix of state and federal funds if state candidates are also benefited.

It is through this privately funded, party-sponsored activity that ordinary citizens and volunteers can still play a role in presidential campaigns. If we eliminate that role, we will be left with only an expensive (and mostly negative) media extravaganza—a battle of the big gurus. That's supposedly just what the reformers want to avoid.

If the reformers want to improve politics in America, they should be looking for ways to strengthen state and local political parties, not tear them down. It's time to bring the "soft money" debate back to reality.

James J. Brady is chairman of the Louisiana Democratic Party and president of the Association of State Democratic Chairs. Joseph E. Sandler is counsel to the association.

[From the Washington Post, Dec. 1, 1991]

WE NEED LOUD, MEAN CAMPAIGNS

(By Samuel L. Popkin)

If the David Duke campaign had any enduring message for America, it was this: Competing with demagogues is expensive. Officeseekers who wish to sell a complicated message to an increasingly diffuse electorate must outspend their brassier opponents.

Only a "cheap" message can get through in a "cheap" campaign. It takes more time and money to communicate about complicated issues of governance than to communicate about race. Yet critics are once again calling for reforms that would curb campaign advertising and spending to protect gullible Americans from the spiritual pollution of political snake-oil merchants.

The fact is, our campaigns aren't broken, and don't need that kind of fixing. Voters are not passive victims of mass-media manipulators, and it is dangerous to assume that low-key "politically correct" campaigns would somehow eliminate the power of the visceral image. Restricting television news to the MacNeil/Lehrer format—and requiring all the candidates to model their speeches on the Lincoln-Douglas debates—won't solve America's problems.

David Duke, loathsome and frightening though he may be, is neither an argument that campaigns don't work nor that campaign advertising should be restricted. In fact, Louisiana voters knew all about Duke's past and his associations with racist and antisemitic causes; Duke was able to communicate his message just as effectively—perhaps more effectively—in interviews and debates.

Reformers say they want to turn down the volume, discuss more important issues and turn out more voters—worthy goals, but also contradictory. Decorous campaigns will not raise more important issues. Neither will they mobilize more voters nor overcome offstage mutterings about race and other social issues. It was not worthiness and refinement that got 80 percent of Louisiana's voters to turn out.

If government is going to be able to solve our problems, we need bigger and noisier campaigns to rouse voters. It takes bigger, costlier campaigns to sell health insurance than to sell the death penalty; the cheaper the campaign, the cheaper the issue. Big Brother is gaining on the public. Surveys show that voter perceptions about presidential candidates and their positions are more accurate at the end of campaigns than at the beginning; there is no evidence that people learn less from campaigns today than they did in past years. That brilliant 1988 team, Roger Ailes and Robert Teeter, could not recycle Dick Thornburgh; the road to Washington is littered with the geniuses of campaigns past.

Many critics argue that congressional elections do not work because a lack of competition isolates Congress from the electorate; they argue that Democratic control of Congress is based upon incumbency advantage, not the will of the voters. They are wrong. In races for 567 open congressional seats since 1968, the GOP has lost a net of nine. In the 244 open-seat races since 1980, the GOP made no net gains. Democrats won as many previously GOP seats as Republicans won previously Democratic seats.

In fact, the inability of Republicans to capture Congress attests to the limits of voter manipulation. People tend to rate the Democrats higher on issues with which Congress deals, and the GOP higher on issues with which the president deals. Divided government may be slow, cumbersome and confrontational, but it rests upon the divided preferences of the voters—not slick ads or a lack of competition.

It is also argued that campaigns influence voters to take a "pox on both houses" attitude—i.e., that informed voters will be less likely to vote. This theory is easy to test: First, take a sample of people across the country and ask what they consider to be the most important issues, where the candidates stand and what they like and dislike about the office-seekers.

Then, after the election, find whether the interviewees, who have been forced to think about the issues, were more or less likely to vote than other people. If they voted less often, there is clear support for the claim that negativism and irrelevancy are turning off American voters. If the people vote more than others, though the problem is not that people are being turned off but that they are not getting turned on enough.

In fact, there is such an experiment. In every election since 1952, people interviewed in the University of Michigan's benchmark National Election Survey are asked such questions; after the election, actual voting records are checked to see whether the respondents did indeed vote.

The results demolish the trivia-and-negativism hypothesis. Respondents in national studies, after two hours of thinking about the candidates, the issues and the campaign were more likely than other people to actually vote. Indeed, the Duke-Edwards election shows that people will turn out to choose between a Nazi and a crook when the campaign is big enough to keep them mobilized.

The real reason that voter turnout is down is that campaigns are not big enough to keep them tuned in. Changes in government, in society and in the role of the mass media in politics have made campaigns more important today than they were 50 years ago, when modern studies of them began. But the scale of the campaigns have not risen to their larger task.

Campaigns attempt to simplify politics, to achieve a common focus, to make one question and one distinction paramount in voters' minds. But the spread of education has both broadened and segmented the electorate, thereby making it more difficult to assemble a winning coalition. Educated voters pay attention to more problems and are more sensitive to connections between their lives and national and international events. The more divided an electorate, and the more money available to advocates of specific issues or causes, the more time and communication it takes for a candidate to assemble people around a single distinction.

Even as unifying forces in our society—for example, the proportion of people watching mainstream network programming and news—have waned, forces tending to fractionalize the electorate have been on the rise. For example, today they include: more government programs—Medicare, Social Security, welfare and farm supports are obvious examples—that have a direct impact on certain groups; coalition organized around policies toward specific countries, such as Israel or Cuba; various conservation and environmental groups; and groups concerned with social issues, such as abortion and gun control.

Furthermore, there are now a great many more specialized radio and TV programs and channels, magazines, newsletters and even computer bulletin boards with which persons can keep in touch with like-minded people outside their immediate neighborhoods or communities.

At the same time, phenomena such as expanded use of primaries have increased the need for unifying mechanisms. Primaries mean that parties have had to deal with the additional task of closing ranks after the campaign has pitted factions against each other. Finally, campaigning under divided government is also more difficult; it is harder to justify a compromise between competing political principles—the 1990 budget deal is an example—than to reiterate one's own principles.

What this suggests is that if we really want to increase voter interest and participation—as well as the capacity of government to tackle our problems—the best strategy may well be to increase our spending on campaign activities that stimulate voter involvement. In this regard, it is important to note the clear relation that exists between turnout and social stimulation. There is, for example, a large gap between the turnout of educated and uneducated voters; married persons at all ages vote more than people of the same age who live alone; and much of the increase in likelihood of voting seen over one's life is due to increases in church attendance and community involvement.

As for the argument that America already spends too much on elections, the fact is that American elections are not costly by comparison with those in other countries. Comparisons are difficult, especially since most countries have parliamentary systems, but it is worth noting that reelection campaigns to the Japanese Diet, their equivalent to our House of Representatives, cost at least eight times as much per vote as our congressional elections. Indeed scholars estimate that Diet elections cost between $50 and $100 per constituent, while incumbent congressmen here spend an average of $1 per constituent. It is food for thought that a country with a self-image so different from America's spends so much more on campaigning.

Our campaigns are criticized as pointless affairs, full of dirty tricks and mudslinging that ought to be cleaned up, if not eliminated from the system. But the use of sanitary metaphors to condemn politicians and their campaigns says more about the people using the metaphors than it does about the failings of our politics.

Before we attempt to take the passions and stimulation out of politics we ought to be sure that we are not removing the lifeblood as well. Ask not for more sobriety and piety from citizens, for they are voters, not judges; offer them instead cues and signals which connect their world with the world of politics. The challenge to the future of American campaigns—and hence to American democracy—is how to bring back the brass bands and excitement in an age of electronic campaigning.

(Samuel Popkin, professor of political science at the University of California San Diego, is author of "The Reasoning Voter, Communication and Persuasion in Presidential Campaigns," University of Chicago Press, from which this article is adapted.)

AMERICAN CIVIL LIBERTIES UNION,
Washington, April 27, 1992.

DEAR SENATOR: The American Civil Liberties Union opposes the campaign financing legislation that will be considered this week by the Senate. The limitations on campaign contributions and expenditures contained in the conference bill impinge directly on freedom of speech and association and will not solve the problems of fairness and financial equity that the legislation is intended to remedy. Moreover, in our view, the legislation's imposition of contribution and expenditure caps in return for partial public financing amount to an unconstitutional condition on freedom of speech. In essence, it amounts to government buying an agreement from candidates that they will not speak as freely and frequently as they otherwise might and

that they will impose additional limits on the expressions of support they will accept from others.

It is true that the current system of private campaign financing does cause disparities in the ability of different groups, individuals, and candidates to communicate their views on politics and government. However, the appropriate response in keeping with our nation's constitutional commitment to civil liberties is to expand, rather than limit, the resources available for political advocacy. Public financing can play a powerful role in expanding political participation and understanding, but it should not be used as a device to give the government a restrictive power over political speech and association.

We urge you to reject the campaign finance package that emerged from the conference and instead focus on meaningful reforms that would facilitate the candidacies of those who might not otherwise run and broaden the spectrum of campaign debate.

Sincerely,

MORTON H. HALPERIN,
ROBERT S. PECK,
Legislative Counsel.

THANKS TO STAFF

Mr. MCCONNELL. Mr. President, I express my gratitude to my chief of staff and long-time associate, Steven Law, for his ingenious contribution to this issue over the years, and to Tam Somerville, who has also been an inspired part of the hit squad on this side of the aisle, as well as Kurt Branham, of my staff, and Lincoln Oliphant, of the GOP Policy Committee; Dick Ribbentrop, from Senator GRAMM'S office; a former staffer of mine, Neal Holch, who was also heavily involved in this issue last year.

It has been a fascinating experience, and it would not have been possible to craft all of these ingenious arguments that we have used on this issue over the last 4 or 5 years without the able assistance of these wonderful public servants, and I want to thank them in front of the entire Senate.

Mr. BOREN. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time for the quorum might be charged equally against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRAHAM). Without objection, it is so ordered.

Mr. DOLE. Mr. President, I understand I have until 3:15 and then the majority leader has from 3:15 until 3:30.

The PRESIDING OFFICER. The Republican leader controls 12 minutes, 30 seconds.

Mr. DOLE. Thank you.

Mr. President, I think we are going to vote here in about 30 minutes on something we debated for 3 days knowing at the outset it was not going anywhere.

Maybe that is a good use of the Senate's time; we might have been doing something more destructive in that 3-day period. But nobody believes this is going anywhere.

This is the best of the Democratic House bill and the best of the Democratic Senate bill to get Democrats reelected, and they put it together. And I noticed the New York Times editorial said it is painstaking. They must have been painstaking; Republicans were not even consulted. The Senator from Kentucky was a conferee. I do not think they asked him for much input.

I will say, as I have said before, we still have time for campaign finance reform this year. Just take this bill off the floor. Had we spent the last 3 days, instead of debating a dead-end bill, debating true campaign finance reform, we might have gotten somewhere.

So to exclude Republicans from the discussions, it passes, send it down to the President, he vetoes it, they have the votes to pass the bill, we know we have the votes to sustain a veto, and nothing has changed in the past 3 days.

So I just say, as we prepare to go through the motions of this political exercise, it reminds me pretty much of the political exercise we had on the growth package. Both sides had a growth package. Democrats had the votes to pass their tax-raising package, the President vetoed it, the veto was sustained, and the economy has not gotten any help at all from Congress. Campaign finance reform is not going to get any help from Congress if this is passed, vetoed, and the veto is sustained.

So I want to make it clear—it is pretty hard to make it clear to the liberal press because they adopt anything that comes from the other side.

But if they want meaningful campaign reform, we can have campaign reform, bipartisan, nonpartisan, Democrats, and Republicans working together. We are ready to adopt real reforms. We are ready to abolish political action committees. We are willing to have the same bill apply to the House that applies to the Senate or vice versa, not to have sort of a cafeteria approach where the House had one version and the Senate has another, neither of which make a great deal of sense.

We stand ready to support innovations developed and proposed in 1990—1990, 2 years ago—by a nonpartisan commission of election experts who were appointed by the distinguished majority leader and myself. As I said, we stand ready to rid ourselves of political action committees which contribute $130 million to campaigns in 1990. Nearly $300,000 each and every day, $300,000 each and every day. Most of that money goes to incumbents, those of us here right now. Of course, most of the incumbents at the present time happen to be in the other party.

The bill before us takes some small steps, very small steps, to limit the political action committee, but does not go nearly as far as President Bush and the Republicans and, I believe, some Democrats would want to go. It does not go far enough to change the status quo.

Let me comment also for a minute on the little fundraising event we had this week in Washington, the one the Republicans had the other night. My friends on the other side of the aisle keep expressing their shock over this event which raised money for congressional campaigns. It did not raise any for the President. He is taking all the heat. He did not get any money.

Let us look at the facts and find out who should be shocked. Recent records show that the Democratic Senatorial Campaign Committee raised $2 million from roughly 4,000 contributors. That is an average contribution of $500 per contributor, and 33 percent of those contributions came from political action committees. Think about that for a minute; $2 million, 4,000 contributors, a $500-average, one-third from PAC's.

In the same time period, there were 314,000 contributors to the Republican Senatorial Campaign Committee. Only 3 percent—not 33 percent—of the donations came from PAC's, and the average contribution was just $45.

Who is the party of the fat cats?

Let us face it, when it comes to big taxes and the big PAC dollars and special interests such as big labor, it is the Democratic Party that has the big, big, big advantage. In other words, Democrats have a hard time getting support and contributions from average Americans, the little guy. Well, the Democrats put their needs together and decided if the people would not become involved in the political system by contributing their hard-earned money to campaigns, they would simply get their money by increasing taxes and let the public pay for it.

I must say, as I said the other day, I have not had many people writing in saying we would like to help our Congressman. We would like to help you out—out of office. But I do not think many people in my State, or any State that is represented on this floor, is anxious about putting public money into our campaign, public money, tax money, their money. What they would like is a little reform of Congress, the Senate, the House, and the executive branch, as far as that is concerned.

It seems to me that from New Hampshire to Pennsylvania, the voters have been sending two messages this year. First, they are tired of the ruling class in Congress, and they think taxes are too high. I thought those messages were pretty loud and clear. Either I was wrong, or else the Democrats who wrote this bill held their meetings in the biosphere, that plastic bubble in Arizona where people are completely

cut off from the outside world. That may have been where this bill was drafted. Not much air getting in there, not much time to think.

The American people are thinking, and they understand. They know all about this bill, that it is going to raise their taxes, and how it promotes protection of incumbents. Most people do not like incumbents. We are incumbents. So this is an incumbent-protection bill. That is all it is. Let us face it.

One way to protect incumbency is to spend more money, to make certain that we are not getting any challengers from the opposition. In this care, it is Republicans. They want to have spending limits, which would make it certain that Democrats remain in the majority. My friend from Kentucky made that argument time and time again in a very appropriate way.

So I say again, as I said on the first day this bill was on the Senate floor, Tuesday, why not just take it down, take it off, have a conference, have the four leaders show up and say, OK, we are going to stay here until we get campaign reform? No public financing. Do not raise anybody's taxes. Let us go after soft money. Let us go after all of it. Let us give the challengers an opportunity. Let us make the party stronger. What is wrong with that? The Democratic Party or the Republican Party. It is an idea that we have proposed. What is wrong with having people in our own States? Why should we limit contributions on people in our States, as far as total amount is concerned? We have ideas about out-of-State contributions.

Mr. President, for all the reasons that have been stated on this floor, again, I think we have had a good debate. I do not think anybody is really enthusiastic about this bill. But I think my colleagues on the other side have to act as though they are. They know it is a bad bill. Not many people have said it is a good bill, and it certainly is not bipartisan. If we want bipartisan campaign finance reform, there is still time in 1992.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, many important issues come before the Senate each year. We debate legislation that affects millions of Americans in their daily lives.

One issue broadly important to everything we do is how we finance election campaigns for Federal office. The way we finance campaigns ultimately legitimizes our governmental responsibilities. The financing of campaigns determines who is elected to office, how legislation is considered, and the degree to which the public supports our decisions.

The conference report before the Senate today represents a truly historic opportunity to enact legislation that would fundamentally reform the way Federal elections are financed. It is a bill that directly attacks the most serious problem in the election process: The dominant, the overwhelming role of money in Federal election campaigns.

For 10 years I have advocated legislation to reform our campaign finance system. I have introduced legislation in every Congress since my first election to the Senate in 1982. Many other Members of this body have worked for years in support of campaign finance reform legislation.

No one has done more than the distinguished senior Senator from Oklahoma, DAVID BOREN. He has indisputably been the national leader on this issue. Senators BYRD and FORD have also played a major leadership role in support of this legislation over the years.

Those of us who have worked for years to change this system have been motivated by a concern for the effect the current system has on the operation of Congress, on public attitudes toward this institution and the Federal Government. Unfortunately, our greatest fears have been realized. There is a significant change in the way the public views this institution and the way in which we run for election.

The American people hold Congress in low esteem. The American people also believe that their President does not care about their concerns. What has historically been healthy skepticism has unfortunately given way to an alarming degree of cynicism by the American people about the ability of their Government to deal with our Nation's problems.

There is far greater public scrutiny of the campaign finance process today. Most Senators are demeaned by the process and the extent to which we must search for money to fund our campaigns.

As distasteful as the process is to us, it is even more distasteful to the American people.

They see a campaign finance process that with each election cycle is becoming ever more reliant on money, in congressional elections and in Presidential elections. Increasingly the American people have come to see their Government as no longer responsive to their needs. They believe their Government acts to fulfill commitments to campaign contributors rather than to serve the interests of the people. And they believe we have created a campaign finance system that is stacked against challengers and designed especially to keep incumbents in office forever.

In large part, this is due to the overwhelming role of money in the American election process. And none of this is surprising given the huge cost of running for office today; the thousands of PAC's that have organized to fund campaigns; the scores of wealthy individuals and corporations that line up to make contributions of $100,000 and more to the President of the United States.

In recent years, money has come to dominate the Federal election campaign process. This has provided protection to incumbents. It has dissuaded many able persons from seeking public office. It has favored wealthy office seekers who can finance their own campaigns. And, at the same time, it has increased the influence of wealthy special interest contributors and severely undermined public confidence in our Government.

Any Senator, any American who cares about our country, who cares about our system of government must deploy this situation. If there is one thing that is clear it is that we must change the way we finance campaigns in America.

This conference report offers us that opportunity. It will make dramatic changes in the way Federal election campaigns are financed.

The conference report will substantially reduce the role of money in the election process and help restore public confidence in our political process by making elections more competitive.

This legislation includes the fundamental reform necessary to clean up the current system and restore public trust in our election process: Limits on campaign spending. American political campaigns are too long and too expensive. This is the essence of reform: Limits on campaign spending. It also limits the role of political action committees, cleans up the soft money mess, prohibits bundling of campaign contributions, encourages less negative campaign advertisements, and gives challengers the resources to mount effective campaigns.

The only meaningful way to reform the Senate election finance system is to limit campaign spending. Anything less avoids the real issues and simply creates the appearance of reform.

Since 1976, congressional election spending has increased almost fourfold, requiring that Members of Congress devote a far greater amount of time to fundraising activities. This trend toward ever higher costs has favored incumbents over challengers. In the most recent Senate elections in 1990, incumbents spent $138 million, almost three times as much as the $51 million spent by challengers. Winning Senate incumbents spent an average of almost $4 million for their reelection campaigns. That requires raising $13,000 a week, 52 weeks a year, for the 6 years of a Senate term.

Spending will continue to escalate still higher until reasonable limits are placed on campaign spending. No matter what other changes are adopted, without spending limits we will not have addressed the real problem, and the real problem will remain.

This conference report establishes an alternative campaign finance system for candidates who agree to voluntarily limit their spending for House and Senate campaigns. Senate candidates will be encouraged to agree to such limits by having available to them broadcast vouchers, lower broadcast rates, and discounted mail. House candidates will be encouraged to agree to such limits by having available to them matching funds and discounted mail. In addition, contingent public financing will be available to Senate candidates who agree to a spending limit if their opponent exceeds the limit.

The participation of political action committees in Federal election campaigns will be curtailed. House candidates will be limited to raising $200,000 each election cycle from political action committees. Senate candidates will not be permitted to raise more than 20 percent of their election limit from PAC's, and the maximum PAC contribution to a candidate will be cut in half. If these rules had been in effect for the 1990 election, PAC contributions to Senate incumbents would have been reduced by 53 percent.

The conference report includes tough new rules prohibiting the use of soft money to affect Federal elections and severely limiting the practice of bundling. In recent years, our campaign finance laws have been undermined by the practice of raising large sums of money from individuals, corporations, and labor unions not otherwise permitted under Federal law. A large portion of these funds have been used by party committees to fund activities that support Federal elections.

The use of soft money has been a particular problem in Presidential races. In the last Presidential election both candidates raised tens of millions of dollars in campaign contributions not permitted under Federal law. Although they participated in the publicly financed Presidential campaign system and agreed not to raise private contributions for their general election campaigns, their agents were, in fact, out raising enormous sums of money.

We have seen a return to the pre-Watergate, Presidential campaign finance era. Wealthy individuals and corporations contribute enormous sums of money to fund Presidential candidates. In 1988 alone, 249 individuals and corporations contributed at least $100,000 each to the campaign of George Bush. Some were awarded with ambassadorships. Some were beneficiaries of legislative initiatives proposed by the President. Most of them have been given special access to Cabinet members and other important Government officials. And, all of the $100,000 contributors were invited to the White House, not the President's house, the people's house, where they were thanked by their President for their $100,000 contribution.

These practices continue today. The Bush campaign has been embarrassed by recent reports on fundraising techniques that involve avoidance of the contribution limits of the law through the practice of raising soft money and bundled contributions. Corporations were listed as sponsors of a fundraising event in Michigan even though corporations have been prohibited from giving to Federal election campaigns since 1907. It is the law for 85 years, and yet, just last week corporations were listed, printed as sponsors of the program. The Bush campaign pointed out that the listed corporations did not really make direct contributions but instead contributions were bundled on behalf of the executives of the corporation.

But whether the corporations were contributing soft money directly or making bundled contributions indirectly through their employees, there is no question they have been involved in an effort to legally avoid the requirements of the Federal election laws.

And it must be said, and I say this as a Democrat and as the Democratic Leader in the Senate, Democrats also use these deplorable tactics to raise campaign funds. This is not a problem that is limited to one party. It involves both parties. It infects the entire system. And that is what it is—an infection from which we are all suffering.

The legislation we are debating today closes down these loopholes. Under this conference report, political party committees would be prohibited from using soft money on activities that affect a Federal election. Federal candidates and officeholders would be prohibited from raising soft money. Bundling of contributions in order to avoid the contribution limits of the law would also be prohibited.

This is tough legislation that would dramatically change the way Federal elections are financed. It is good legislation that directly responds to the public's anger about Federal election campaigns.

And most importantly, it is balanced legislation that treats Republicans and Democrats alike and fairly, while leveling the playing field to give challengers a better opportunity to mount effective campaigns.

We have heard from those who oppose reform of our campaign finance laws. They oppose any reform. They like the present system. They have advanced arguments, all of them without any merit: It is too costly, it does not go far enough, it protects incumbents. In all of the opposition to this bill the most transparently inconsistent position is that of President Bush. He has run in four Presidential elections in which he has voluntarily participated in a system of spending limits and public funding. He has voluntarily participated. President Bush was not required to participate in this system. He chose to do so. And by the end of this year he will have received more than $200 million in taxpayer's money, public funds, more than any person in all of American history. And yet the President says he opposes this legislation because it includes spending limits and partial public funding of elections. In all of American politics there is not a more clear example of saying one thing and doing another.

We in public life take stands on many issues and we are often accused of being inconsistent, but the President's position goes well beyond that. He says he opposes this bill because it includes spending limits and public benefits and at the same time he is this day running for election and participating voluntarily in a system which has both of these things, public funding and spending limits.

In fact, in the same week in April, just a week ago, within the same week, President Bush asked the Federal Elections Commission for $2 million of public funds for his campaign and then said he will veto this bill because it includes public funds for campaigns.

The President cannot have it both ways. He cannot voluntarily accept public benefits in spending limits while vetoing this legislation because it provides just what he himself has been accepting. And I emphasize his acceptance is voluntary. The President does not have to participate in this system. He has chosen to participate. And, as a consequence, as I said earlier, before this year is out, President Bush will have accepted $200 million in taxpayers' money for his campaign.

What are the opponents of this bill afraid of? That we might clean up the system? That we might distance large money interests from the political process? This legislation creates a voluntary system. If they do not like it, they do not have to participate in it. But why not let those of us who want to operate in a clean system, who want to have a distance between large money interests and the legislative process—why not let us proceed in that system in a voluntary way?

Mr. President, the most common complaint from opponents of campaign finance reform is that spending limits benefit incumbents. That argument is just plain wrong. And it is directly contradicted by the facts and all of the evidence of recent years.

Mr. President, let us look at the record of what would happen to incumbents if this bill is enacted.

In the 28 Senate races where an incumbent faced a challenger in 1990,

challengers were outspent in 26 of those races; 26 out of 28 races the incumbent spent more than the challenger, and the total margin between incumbents and challengers was three to one in favor of incumbents.

Go back a little further. Since 1986 there have been 83 Senate elections between incumbents and challengers. Incumbents have spent more money in 93 percent of those elections and incumbents have won 85 percent of those elections.

Mr. President, it is very clear this legislation limits the spending of Senate incumbents, not Senate challengers, because in almost all races it is only incumbents who spent more than the limits in this bill.

If you say to a challenger who can only raise $500,000 that there is a limit of $2 million, how is he hurt? The answer is, he is obviously not. But in almost every race, the incumbent spends more than the limit and so the incumbent would be limited, the challenger would not.

It is nonsense to suggest that this bill helps incumbents. There is absolutely no evidence to support that, and all of the facts are to the contrary. The fact is the opponents of this bill are incumbents and they want to stay in office no matter what kind of system they have to operate under. That is the fact.

Another argument the opponents of reform make is that this legislation does not go far enough because it does not completely eliminate political action committees. That is a phony argument. That cannot legally be done.

The bill, as passed in the Senate, did propose to eliminate political action committees. There was a lot of discussion at the time and the legislation, as proposed both by Democrats and Republicans, included a backup provision anticipating the possibility that an outright ban on PAC's would be unconstitutional.

Since then, there has been a great deal of legal advice received to that effect. And, so, although I expect we will hear speeches suggesting the opposite, it should be made clear—and every Senator should understand the President has never advocated eliminating political action committees. He has tried to create the impression that he has, but he has never advocated that. Despite those assertions to the contrary, what the President has proposed is the elimination of some political action committees, those connected directly with a labor union, corporation, or trade association.

But under the President's proposal, unconnected PAC's, those who hold some ideology in common, would continue to thrive. The problem with this approach, of course, is that we will end up with more PAC's than we now have. Those who are banned will simply reform under a different heading or symbol or name or ideology, and we will have the same situation we have now made worse.

The effective way to limit the role of PAC's is to propose an aggregate limitation on the amount of money that any one candidate can receive from all political action committees. And this bill does that. It is tough legislation. It will cut in half the overall amount of PAC contributions to incumbent Senators.

I close with these words to my colleagues in the Senate. We have heard it said often in recent days that Congress lacks the ability and the will to pass tough legislation that may be good for the Nation; that Congress cannot pass legislation because it bends to the will of money and special interests; that we are too worried about reelection to support legislation that is in the public interest because it might have some unpopular aspect.

This is the opportunity to disprove those allegations. If you want to prove that you are willing to stand up to the special interests, the large money interests, vote for this conference report. If you want to stand up for something that you know is the right thing to do, vote for this conference report. If you believe in our democratic system of Government and are genuinely disturbed by the low esteem in which Congress is held by the American people, vote for this conference report.

The American people have lost confidence in the Federal election process. They question the very integrity of this institution, the integrity of the individual Members of the Senate. Every Senator, every single Senator without regard to party, deplores this result. Almost every Senator agrees that our campaign finance laws must be rewritten.

We cannot let those, the few who are opposed to any reform, who like the current system, who want above all else to protect their position in office no matter what system they must operate under—we cannot let them block this reform. We must restore the integrity of this institution and its Members and we can make a start on that by voting for this conference report.

I urge my colleagues to vote for it and send a clear and unmistakable message that this system must be changed.

Mr. President, I ask for the yeas and nays on the conference report.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the conference report on S. 3, the Congressional Campaign Spending Limit Election Reform Act of 1992.

The clerk will call the roll.

The legislative clerk called the roll.

The result was announced, yeas 58, nays 42, as follows:

[Rollcall Vote No. 82 Leg.]

YEAS—58

Adams	Exon	Metzenbaum
Akaka	Ford	Mikulski
Baucus	Fowler	Mitchell
Bentsen	Glenn	Moynihan
Biden	Gore	Nunn
Bingaman	Graham	Pell
Boren	Harkin	Pryor
Bradley	Heflin	Reid
Breaux	Inouye	Riegle
Bryan	Jeffords	Robb
Bumpers	Johnston	Rockefeller
Burdick	Kennedy	Sanford
Byrd	Kerrey	Sarbanes
Conrad	Kerry	Sasser
Cranston	Kohl	Simon
Daschle	Lautenberg	Wellstone
DeConcini	Leahy	Wirth
Dixon	Levin	Wofford
Dodd	Lieberman	
Durenberger	McCain	

NAYS—42

Bond	Gramm	Packwood
Brown	Grassley	Pressler
Burns	Hatch	Roth
Chafee	Hatfield	Rudman
Coats	Helms	Seymour
Cochran	Hollings	Shelby
Cohen	Kassebaum	Simpson
Craig	Kasten	Smith
D'Amato	Lott	Specter
Danforth	Lugar	Stevens
Dole	Mack	Symms
Domenici	McConnell	Thurmond
Garn	Murkowski	Wallop
Gorton	Nickles	Warner

So the conference report was agreed to.

Mr. MITCHELL. I move to reconsider the vote.

Mr. BOREN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, am I correct in my understanding that under the previous order, there is now to be a period for morning business with Senators permitted to speak therein?

The PRESIDING OFFICER. The majority leader is correct.

LOS ANGELES RIOT

Mr. MITCHELL. Mr. President, the pall of smoke that hangs over Los Angeles today hangs over our Nation as well.

The acquittals in the police beating of Rodney King have surprised and shocked Americans of all races and in every part of the Nation.

Americans expect the police to do their jobs in accordance with the law. The verdict makes many Americans wonder if the system of justice works, as it should have in this case.

Whatever the verdict, looting and violence are not reactions that can be tolerated. No one can or should condone riots or sniper fire or looting. Rioting damages neighborhoods, takes innocent lives, and injures bystanders. Violence inevitably leads to more violence. So the violence must be ended.

But the end of a riot does not mean that the cause of the riot is over. Fac-

tors that bred the frustration over this case have long, deep roots in our system. We must look to those factors, as well as to the outcome to which they gave rise.

The Federal Justice Department has now stepped up its criminal review of the case. I urge the Justice Department to move swiftly and aggressively in this case.

Madam President, it is my understanding that under the previous order, there was to be at this time 1 hour of morning business under my designation and control.

The PRESIDING OFFICER (Ms. MIKULSKI). The Senator is correct.

Mr. MITCHELL. Madam President, I consulted with other colleagues who were to have addressed the Senate during that time, and it is our desire not to proceed as planned at this time. Therefore, I ask unanimous consent that the 1 hour under my designation or control be vitiated, and that the Senate remain in morning business subject to other previous orders with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

TRAVESTY OF JUSTICE

Mr. BRADLEY. Madam President, what we have seen in Simi Valley, CA, is a travesty of justice. The story is familiar. March 3, 1991: Rodney King is speeding, driving while intoxicated; clearly wrong. He was stopped by several police officers. He was kicked; he was hit with batons 56 times in 81 seconds. When one of the officers arrived at the hospital, he bragged that he "really hit a homer."

Madam President, we were not told about Rodney King being hit 56 times in 81 seconds with batons. We saw it with our own eyes; it was on video. Just as we saw the missiles over Baghdad or the murders in Tiananmen Square, so we saw four police beating Rodney King. It was clear cut, 56 times in 81 seconds. Something like this: pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow pow—56 times in 81 seconds. That is what the American public saw on videotape: 56 times in 81 seconds.

And what did the defense do? The defense, in a thinly veiled attempt to play on racial stereotypes and racial fears, the defense called King a bear, a bull, a gorilla—the worst, the worst of the dehumanizing descriptions of black Americans that have fueled hatred, discrimination, and fear throughout our history.

The defense strategy was to deny what we all saw on TV with our own eyes. In the word of today's Washington Post:

> The defense lawyers portrayed their clients as part of a thin blue line standing between law-abiding citizens and the jungle of Los Angeles.

Madam President, jurors were asked to yield to this fear. Jurors were asked to deny Rodney King's humanity, to deny they saw what they saw. It was the ultimate attempt at delusion, delusion born in a society that does not talk honestly about race, an ultimate attempt at delusion born in a society which fails to see that its salvation lies in overcoming racism, and not in yielding to racism.

The verdict: Not guilty. In the last 12 hours, I do not know about everybody else in this body, but I have had a few things happen. Let me share just a couple.

A young black male walks up to me earlier today and says, "I hope you're going to say something. It could be me next time. It was not likely they did not have any evidence."

A nonblack female says: "I guess I have become immune to such injustices, and that really saddens me. I have become so used to seeing the side I consider to be right, that events like this no longer seem to surprise me."

A young black man interviewed on TV last night says: "If I went to a grocery store and stole a Twinkie, and I was on videotape, I would be in jail for 6 months. But if I were beaten up on the street by four white cops, they could get off. Where is the justice?"

A female black lawyer said: "People should not be afraid of the people who are supposed to protect them, but they are." Imagine if the shoe were on the other foot; imagine if an all black jury acquitted a black policeman, or several black police officers, who had beaten a white person to a pulp 56 times in 81 seconds on videotape. Imagine what would be said then, and then you could imagine a little bit, I believe, how African-Americans feel today.

No justice can come from injustice. Racism breeds racism; violence begets violence. So the image of white police officers beating a black man lying prone on the ground dissolves into the image of a black crowd dragging a white driver from a vehicle and kicking him to death. That violence only further exacerbates the tragedy of thousands of lives of those who live in an area wracked by drugs and gang violence and poverty and despair.

A state of emergency has been declared in south-central Los Angeles. All violence must be condemned. But the emergency is national. I have said before on this floor that slavery was our original sin, and race remains our unresolved dilemma. That dilemma becomes a state of emergency when our carefully constructed system—governmental, judicial, social—breaks down in the face of the racial reality of our society. And the reality is, sad to say, it was easier for an all white jury to put themselves in the shoes of a white police officer than to put themselves in the position of Rodney King. After all, the jury did not live in the city. The jury has not been the target of ugly racial epitaphs or discrimination. They have never been pulled over by a police officer simply because they were black. Once again, we are forced to confront the division in our society.

In 1820, Thomas Jefferson described the emotion raging around the slavery issue as "a warning bell in the night." Our Nation ignored that warning, and it cost us a Civil War which took the most American lives of any war we have ever had.

In the 1960's James Baldwin, in the midst of great racial advances in civil rights, said, "Beware, the fire next time."

In the last 24 hours, another warning bell has rung, and other fires have burned. If we, as a nation, continue to ignore the racial reality of our times, tiptoe around it, demagog it, or flee from it, we are going to pay an enormous price.

What we need now, at the exact time, is hope and accountability, accountability for the conduct of the police officers, and hope that the system of justice can work. With that in mind, I call on the Attorney General to file criminal civil rights charges against the police officers. If a crime is done and the system does not work, that is what the civil rights laws are all about. Next, I call on President Bush to go to Los Angeles and to the community and meet with the residents to show his concern, if they believe it will be helpful.

Finally, all of us have to fight for a political system that will guarantee that the voiceless will have a voice more powerful than violence. Emmit Till was an African-American, a young man killed in Mississippi one summer while visiting relatives because he said "bye-bye" to a white woman in a store. After she lost her son, Emmet Till's mother said:

> When something happened to Negroes in the South, I said "that is their business, not mine." Now I know how wrong I was. The murder of my son had shown me that what happens to any of us, anywhere in the world, had better be the business of all of us.

What happened in the courtroom in Simi Valley last night is the business of all of us, and we better start speaking candidly, and we better do something about the physical conditions in our cities, or risk losing increasingly larger numbers of lives of our citizens in our cities in the violence, or the fire that next time is going to engulf all of us.

I yield the floor.

Mr. RIEGLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. RIEGLE. Madam President, first of all, let me associate myself with the remarks of Senator BRADLEY. I think he speaks for many of us. He certainly speaks the sentiments that I have in his very eloquent, and powerful, and important remarks now.

I want to cite another example in this same vein. In the Senate Banking Committee recently, we had a hearing of the Twenty-first Century Commission on African-American males and the problems facing young black men in our society today. And the statistics are truly horrifying, in terms of the death rates, the unemployment rates—even those with college degrees are finding in many cases they cannot find work in our society.

One of our witnesses to talk about this problem, was a person known by many, a very able and outstanding television personality named Blair Underwood, who appeared on the TV show "L.A. Law." He told us a personal story, not terribly different in some important respects from the Rodney King story.

I am going to paraphrase what he told us. In his situation he described one day leaving the movie lot where he had been filming an episode of "L.A. Law," and he was driving, I believe, a very nice sports car—that he owns—to his home, somewhere in the Hollywood area, but in a very nice and exclusive neighborhood. He pulled up in front of his own home to get out of his car, and he had been followed by a police car that had come up behind him. As he was sitting in his own car, in front of his own house and was about to get out, a police officer came around and approached him and in a very hostile way, asked him what he was doing in this neighborhood. Before he could answer, there was a very tense moment and the police officer in this case ordered him to get out of the car. The police officer drew a gun, ordered him to get out of the car and to get down on the ground and to prepare to be inspected in some fashion by the police officer.

Obviously, he was totally taken aback by this incident. He was frightened by it, as any of us would be, to have a police officer in front of our own home pointing a pistol at us in a confrontational fashion of that kind.

This is not ancient history and this is not make-believe. This is a real situation of another American citizen of color who had this happen, as it turns out, in the same general area of the country not all that long ago.

The Rodney King beating trial, as others have said, is a serious miscarriage of justice, the verdict in that trial. In fact, Federal law protects every citizen of America from racially motivated violent beatings by police officers. We have written laws in this country that are on the books right now that prohibit that kind of thing from happening. And that law has to be enforced. The President has an obligation to see that it is enforced and that his Attorney General move immediately to see that the law is enforced, as had just been suggested by the Senator from New Jersey.

Senator METZENBAUM is drafting a letter in conjunction with several of us, to put that request in a written form so that it might be transmitted to the administration and to the President today.

On the basis of the evidence that we all saw of the beating that took place of Rodney King, there is no question in my mind that his Federal civil rights were violated. Other evidence beyond the videotape bears that out in terms of statements that were made by some of the police officers that participated in that beating and the fact that even other police officers to their great credit were willing to testify that what happened here was wrong and beyond the bounds of any kind of reasonable conduct by police officers.

If what happened to Rodney King is allowed to stand it can happen to anybody, anywhere, most often to minority persons be they black or brown, Afro-Americans, Hispanics, Asian persons, but it can also happen to anybody else in the society and that kind of brutality and violence cannot be tolerated even in one case.

It does not justify violence in response. What we have seen over the last several hours in terms of the rioting and the beatings of innocent people, the scene that many of us saw, the truck that was stopped and the truck driver who was pulled out and assaulted and who later died, is as horrifying a scene as I think I have ever seen. There is no justification for that violence, violence does not justify violence, and it does not solve anything. And we see innocent victims accumulating almost everywhere we look.

The PRESIDING OFFICER. The Senator has spoken for 5 minutes. Does he wish to extend the time?

Mr. RIEGLE. Two additional minutes.

The PRESIDING OFFICER. Without objection, the Senator may proceed.

Mr. RIEGLE. The cycle of violence has to be stopped whether by those in uniforms or citizens at large. I urge every citizen to exercise their own capacity for leadership, leadership by example, leadership by understanding, leadership by caring about other people, across racial lines, across any other lines that might otherwise divide people or be the basis of people not coming together. I think we have to come together as a society. I think we have to address these issues and we have to address them in order to achieve a measure of racial and economic justice in America that deals with underlying problems that otherwise I think will continue to have the effect of pulling our society apart.

But in this case, the Federal Government under the laws of this land has an obligation to act, not weeks or months from now, but to act now. I call upon the President, the Attorney General—who is responsible for enforcing those laws—to move at this time to do so.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Madam President, I join many of my colleagues in expressing our dismay at the shocking miscarriage of justice in the Rodney King case in California. The Federal Government has its own obligations to see that justice is done in cases such as this. I urge the Justice Department to expedite its criminal investigation with a view toward Federal prosecution. Appalling as this verdict is, there is no justification for resorting to violence. I urge all those troubled by this deplorable verdict to use peaceful means to express their concerns and work together to address the issues that divide our society and deny hope to many of our citizens.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, I am assigned 10 minutes under the previous order. Would that apply to this portion?

The PRESIDING OFFICER. The 10 minutes will apply.

Mr. FORD. I thank the Chair.

Madam President, we wish to close out shortly and we have not quite wrapped that up. They will be here in just a minute.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. FORD. I thank the Chair.

(The remarks of Mr. FORD pertaining to the introduction of S. 2642 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. Senator WELLSTONE is recognized.

RODNEY KING INCIDENT: A BETRAYAL OF JUSTICE

Mr. WELLSTONE. Madam President, I am saddened and shocked by the verdict in the Rodney King case. As I watched the verdict being read in the courtroom and the aftermath on the streets, I kept thinking what a huge step backwards this verdict represents for race relations and civil rights. African-Americans are angry. All Americans are angry. And this anger is legitimate. This verdict represents a betrayal of justice. We need to right the wrong that has been done.

When we all saw the videotape of Los Angeles policemen beating Rodney King last year, we were shocked. An unarmed African-American civilian being clubbed and beaten by four policemen as others looked on. What is

happening to America, 25 years after the civil rights revolution? Many in the African-American community are saying that the only thing different this time was that the beating was captured on tape and the perpetrators could not escape justice.

So America assured itself that a public, televised trial would bring justice to Mr. King and to the African-American community. Political leaders urged patience and confidence in the judicial system. They said this case would expose police brutality. They said this case would make white America more aware of the problems people of color face every day on the streets of their communities. They said let the system work.

Well, now what do we say? This verdict is a travesty. Not just because four policemen whom the whole world saw brutally beat an unarmed man walked free. No, that is only part of the problem. The verdict is a travesty because of what it says to the members of the African-American community and other communities of color. It says that even when there is videotaped evidence of brutality, it is very difficult to get justice. It says that despite 25 years of changes in civil rights, we have not come very far at all. It says that for all the progress in legislation and court rulings, yesterday we took a giant step backwards.

But we can not let the outrage and indignation about the verdict lead to more violence. Violence begets violence begets violence. It is not the answer. It will not bring justice. As angry and as upset as people are, beating and murdering innocent people and burning community buildings will not redress grievances. There has to be a better way.

Nobody wants to defend violence and I will not. But no one should be comfortable with the violence of homelessness, with the violence of joblessness, with the violence of hunger.

I have been talking today with members of the African-American community in my State of Minnesota. Like Americans everywhere, they are outraged about what has happened. They are agonizing about what to do and how to respond in a constructive way. What I am hearing them say is that we must redress this injustice.

What we need to do is to demand action by Federal officials. Policing in the community requires sensitivity, respect, fairness, and justice. I urge the Justice Department to expedite its review of this case for violations of the civil rights laws. The American people deserve an accounting of what happened in Los Angeles. I urge that the department prosecute violations to the fullest extent of the law. I urge President Bush to make sure that such a review is completed as quickly and comprehensively as he said he would this morning.

I also urge him to treat the case with the gravity and respect it deserves and to provide the leadership on civil rights that has been lacking in recent years.

I will be offering the mayors of both Minneapolis and St. Paul as well as members of the African-American communities of both cities any assistance they need at the Federal level.

And, finally, I ask that all Americans come together over this incident and work to bridge our differences and solve our problems. We cannot afford as a nation, as a people, to continue to tear ourselves apart. We must stand together to demand justice and equality.

I yield the remainder of my time, and I thank the Senator.

Mr CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

DISMAYED WITH THE JURY VERDICT

Mr. CHAFEE. Madam President, I am totally dismayed with the jury verdict in the case involving Rodney King. We who believe so strongly in rule of law and who believe in the inherent fairness of juries are dumbfounded. How can this be? How can a jury find four policemen innocent of a beating which we all saw on videotape? Can anyone believe that those four officers were frightened into taking defensive protection measures against a single man who is lying prostrate on the ground?

The defendant was a black man. The police officers were white. The jury was nonblack. So we ask ourselves, was racism an aspect in this case? And we cannot help but believe that it affected the verdict.

I strongly believe that this case should be reviewed by Federal authorities, Madam President, and I commend the U.S. Attorney General for initiating such a review.

In addition, Madam President, I would like to commend the actions of Mayor Bradley, the mayor of Los Angeles, and Gov. Pete Wilson, the Governor of California, for their efforts to attempt to restore calm following this dismaying case that has brought tragedy on top of tragedy.

EXTENDING CERTAIN EXPIRED VA AUTHORITIES

Mr. FORD. Madam President, I ask unanimous consent that the Committee on Veterans' Affairs be dischraged from further consideration of S. 2378, a bill to extend certain expired VA authorities.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2378) to amend title 38, United States Code, to extend certain authorities relating to the administration of veterans laws, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. CRANSTON. Madam President, as the chairman of the Committee on Veterans' Affairs, I urge Senate adoption of the pending measure, S. 2378, as it will be amended by an amendment that I will describe in more detail in a moment.

This legislation, which is cosponsored by the committee's ranking Republican member, Senator SPECTER, would extend certain expired VA authorities.

Last fall, at the close of the first session of this Congress, the Senate was precluded from acting on H.R. 2280, compromise legislation developed by our committee in conjunction with the House Veterans' Affairs Committee. Among other things, that compromise included provisions which extended certain expiring VA authorities.

Last month, I introduced and the Senate passed S. 2344, the proposed Veterans Health Care Amendments Act of 1992, for the express purpose of beginning anew the process of developing and enacting comprehensive veterans health-care legislation. However, as my colleagues appreciate, it is not possible to predict with any accuracy how long that process will take nor the ultimate outcome of that effort.

Thus Madam President, rather than rely on that more comprehensive bill to address the expired authorities, I introduced this legislation that includes only extensions of expired authorities. Once the Senate acts on this measure, I will work with Chairman MONTGOMERY and other members of the House Committee to secure its prompt enactment.

DESCRIPTION OF PROVISIONS

Madam President, S. 2378 would extend authorities in three areas—VA's authority to maintain an office in the Philippines, to conduct certain temporary vocational rehabilitation and training programs, and to establish research corporations—which I will describe in more detail in a moment, ratify any actions taken pursuant to these now-expired authorities between their expiration dates and the date of enactment of this legislation, and finally, extend an expired requirement for VA to submit a report to the Congress.

REGIONAL OFFICE IN THE PHILIPPINES

Section 315(b) of title 38, United States Code, authorizes VA to maintain a regional office in the Republic of the Philippines. Pursuant to this authority, VA operates an office in Manila. This authority expired on September 30, 1991.

Section 1 of the bill would extend this authority until March 31, 1994, and would expressly ratify any actions taken by VA to maintain the regional office in Manila between October 1, 1991

59-059 O—96 Vol. 138 (Pt. 7) 41

and the date of the enactment of this legislation.

CERTAIN VOCATIONAL REHABILITATION AND TRAINING PROGRAMS

Madam President, section 2 of the bill would extend certain temporary vocational rehabilitation programs and authorities which expired on January 31, 1992. These specific programs and authorities are as follows. First, section 1163 of title 38 provides for a temporary program of trial work periods and vocational rehabilitation evaluations for veterans receiving VA compensation at the total-disability rate based on a determination of individual employability. Second, section 1524 of title 38 provides for a program of vocational training for certain nonservice-disabled wartime veterans awarded a pension. Third, section 1525 provides for a program of time-limited protection of VA health-care eligibility for a veteran whose entitlement to pension is termination by reason of income from work or training. Each of these provisions would be extended until December 31, 1992, so as to enable the committee to receive and review VA evaluations on the effectiveness of each program or authority. Provisions in the bill would ratify any actions taken by VA under these authorities between their expiration and the effective date of the legislation.

RESEARCH CORPORATIONS

Madam President, subchapter IV of chapter 73 of title 38 authorizes VA to establish at VA medical centers nonprofit corporations to provide a flexible funding mechanism for the conduct of medical research at the centers. This subchapter also requires VA to dissolve any such corporation that fails to obtain, within 3 years after establishment, recognition from the Internal Revenue Service as a tax-exempt entity under section 501(c)(3) of the IRS Code. Finally, this subchapter requires any research corporation to be established no later than September 30, 1991.

Section 3 of the bill would extend from 3 to 4 years the time period after establishment that a research corporation has to obtain IRS recognition as a tax-exempt entity and also extends VA's authority to establish research corporations until December 31, 1992. As with the other provisions, the bill includes an express ratification provision relating to VA actions under the subchapter between the expiration date and the date of the enactment of this legislation.

ANNUAL REPORT ON FURNISHING HEALTH CARE

Section 19011(e)(1) of Public Law 99–272, as amended, requires VA to submit, not later than February 1 following the end of the fiscal year covered by report, to the House and Senate Veterans' Affairs Committees annual reports on the furnishing of hospital care in fiscal years 1986 through 1991. Section 4 of the bill would amended that requirement so as to extend the reporting requirement through fiscal year 1992.

AMENDMENT: GUARANTY OF PAYMENTS ON VA MORTGAGE-BACKED SECURITIES

Madam President, in order to offset the very minor fiscal year 1992 direct-spending costs that the bill would entail, I am proposing an amendment that would allow VA during calendar year 1992 to issue guaranties of timely principal and interest payments on securities backed by a special type of VA direct loans known as vendee loans. These are loans VA extends to those who purchase houses that VA has acquired as a result of the foreclosure of a VA-guaranteed loan. VA pools these loans and sells them to a trust that issues mortgage-backed securities. These securities pass through to the investors who buy them with the income generated by the loans.

Currently, VA guarantees the loan payments to the trust but not the payments on the securities issued by the trust. The direct Government guaranty provided by this provision would qualify these mortgage-backed securities to be purchased by certain institutional and other investors whose own rules allow investments only in Government securities or similar assets.

Since the underlying loans already are guaranteed by VA, the direct Government guaranty on the securities should not add any additional risk of losses to the Government. However, the increased market for the direct-guaranteed securities would make these securities relatively more valuable, thereby increasing VA's income from these loan-asset sales by approximately $5 million a year.

The savings provided by this increased revenue thus will more than offset the small fiscal year 1992 direct-spending costs, $400,000, of the rest of the bill. Thus, the net budget effect of the bill will be a substantial savings to the Government.

This provision is derived from the administration-requested legislation, S. 1517, which would provide VA with permanent authority to issue guaranties of this nature.

CONCLUSION

Madam President, I urge my colleagues to give this measure their unanimous support. As I mentioned earlier, my intention, as soon as the Senate acts, is to seek work with our colleagues on the House committee to ensure this measure's prompt enactment.

AMENDMENT NO. 1788

(Purpose: To provide for the authority of the Secretary of Veterans Affairs to issue and guarantee the payment of certain securities backed by mortgages)

Mr. FORD. Madam President, on behalf of Senator CRANSTON, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Kentucky [Mr. FORD], for Mr. CRANSTON, proposes an amendment numbered 1788.

Mr. FORD. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 5, below line 2, add the following new section:

SEC. 5. ENHANCED LOAN ASSET SALE AUTHORITY.

(a) AUTHORITY.—Section 3720 of title 38, United States Code, is amended by adding at the end the following new subsection:

"(h)(1) The Secretary may, upon such terms and conditions as the Secretary considers appropriate, issue or approve the issuance of, and guarantee the timely payment of principal and interest on, certificates or other securities evidencing an interest in a pool of mortgage loans made in connection with the sale of properties acquired under this chapter.

"(2) The Secretary may not under this subsection guarantee the payment of principal and interest on certificates or other securities issued or approved after December 31, 1992.".

(b) TREATMENT OF PROCEEDS.—Section 3733(e) of such title is amended by inserting ", and the amount received from the sale of securities under section 3720(h) of this title," after "subsection (a)(1) of this section".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1788) was agreed to.

The PRESIDING OFFICER. If there are no further amendments to be proposed, the question is on the engrossment and third reading of the bill, as amended.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as amended, as follows:

S. 2378

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORITY OF SECRETARY OF VETERANS AFFAIRS TO MAINTAIN THE REGIONAL OFFICE IN THE PHILIPPINES.

(a) EXTENSION.—Section 315(b) of title 38, United States Code, is amended by striking out "September 30, 1991" and inserting in lieu thereof "March 31, 1994".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as of September 30, 1991.

(c) RETIFICATION OF MAINTENANCE OF OFFICE DURING LAPSED PERIOD.—Any action of the Secretary of Veterans Affairs in maintaining a Department of Veterans Affairs Regional Office in the Republic of the Philippines under section 315(b) of title 38, United States Code, during the period beginning on October 1, 1991, and ending on the date of the enactment of this Act is hereby ratified with respect to that period.

SEC. 2. AUTHORITIES RELATING TO CERTAIN TEMPORARY PROGRAMS.

(a) PROGRAM FOR TRIAL WORK PERIODS AND VOCATIONAL REHABILITATION.—Section 1163(a)(2)(B) of title 38, United States Code, is

amended by striking out "January 31, 1992" and inserting in lieu thereof "December 31, 1992".

(b) PROGRAM OF VOCATIONAL TRAINING FOR NEW PENSION RECIPIENTS.—Section 1524(a)(4) of such title is amended by striking out "January 31, 1992" and inserting in lieu thereof "December 31, 1992".

(c) PROTECTION OF HEALTH-CARE ELIGIBILITY.—Section 1525(b)(2) of such title is amended by striking out "January 31, 1992" and inserting in lieu thereof "December 31, 1992".

(d) EFFECTIVE DATE.—The amendments made by subsections (a) through (c) shall take effect as of January 31, 1992.

(e) RATIFICATION OF ACTIONS DURING LAPSED PERIOD.—The following actions of the Secretary of Veterans Affairs during the period beginning on February 1, 1992, and ending on the date of the enactment of this Act are hereby ratified with respect to that period:

(1) A failure to reduce the disability rating of a veteran who began to engage in a substantially gainful occupation during that period.

(2) The provision of a vocational training program (including related evaluations and other related services) to a veteran under section 1524 of title 38, United States Code, and the making of related determinations under that section.

(3) The provision of health care and services to a veteran pursuant to section 1525 of title 38, United States Code.

SEC. 3. AUTHORITIES RELATING TO RESEARCH CORPORATIONS.

(a) PERIOD FOR OBTAINING RECOGNITION AS TAX EXEMPT ENTITY.—Section 7361(b) of title 38, United States Code, is amended by striking out "three-year period" and inserting in lieu thereof "four-year period".

(b) ESTABLISHMENT OF CORPORATION.—Section 7368 of such title is amended by striking out "September 30, 1991" and inserting in lieu thereof "December 31, 1992".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect as of October 1, 1991.

(d) RATIFICATION FOR LAPSED PERIOD.—The following actions of the Secretary of Veterans Affairs during the period beginning on October 1, 1991, and ending on the date of the enactment of this Act are hereby ratified:

(1) A failure to dissolve a nonprofit corporation established under section 7361(a) of title 38, United States Code, that, within the three-year period beginning on the date of the establishment of the corporation, was not recognized as an entity the income of which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986.

(2) The establishment of a nonprofit corporation for approved research under section 7361(a) of title 38, United States Code.

SEC. 4. REQUIREMENT OF ANNUAL REPORT ON FURNISHING HEALTH CARE.

Section 19011(e)(1) of the Veterans' Health-Care Amendments of 1986 (38 U.S.C. 1710 note) is amended by striking out "fiscal year 1991" and inserting in lieu thereof "fiscal year 1992".

SEC. 5. ENHANCED LOAN ASSET SALE AUTHORITY.

(a) AUTHORITY.—Section 3720 of title 38, United States Code, is amended by adding at the end the following new subsection:

"(h)(1) The Secretary may, upon such terms and conditions as the Secretary considers appropriate, issue or approve the issuance of, and guarantee the timely payment of principal and interest on, certificates or other securities evidencing an interest in a pool of mortgage loans made in connection with the sale of properties acquired under this chapter.

"(2) The Secretary may not under this subsection guarantee the payment of principal and interest on certificates or other securities issued or approved after December 31, 1992.".

(b) TREATMENT OF PROCEEDS.—Section 3733(e) of such title is amended by inserting ", and the amount received from the sale of securities under section 3720(h) of this title," after "subsection (a)(1) of this section".

Mr. FORD. Madam President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EDWARD P. BOLAND DEPARTMENT OF VETERANS AFFAIRS MEDICAL CENTER

Mr. FORD. Madam President, I ask unanimous consent that the Committee on Veterans' Affairs be discharged from further consideration of H.R. 4184, designating the "Edward P. Boland Department of Veterans Affairs Medical Center" in Northampton, MA; that the Senate then proceed to its immediate consideration; that the bill be deemed read three times, passed and the motion to reconsider laid upon the table; and that a statement by Senator KENNEDY be placed in the RECORD at the appropriate place.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (H.R. 4184) was deemed read the third time and passed.

Mr. KENNEDY. Madam President, it is an honor to join in supporting this well-deserved measure to designate the VA Medical Center in Northampton, MA, as the "Edward P. Boland Department Of Veterans Affairs Medical Center."

This designation is a most fitting tribute to our highly respected friend and former colleague from Massachusetts, Eddie Boland. For more than half a century, Congressman Boland devoted his life to public service. First elected to the Massachusetts House of Representatives in 1935, he came to Congress in 1953, and by the time he retired at the end of 1988, he had compiled an outstanding record of achievement for his district and the Nation.

For the last 18 years of his service in the House, until his retirement at the end of 1988, he provided extraordinary leadership for veterans as chairman of the Appropriations Subcommittee on VA-HUD-Independent Agencies. It is especially appropriate, therefore, that the VA Medical Center in Northampton will bear his name.

In his effective way, with great diligence, wisdom, and compassion, Eddie Boland became a champion of veterans across the country. As a veteran himself, he had served in the Pacific theater for 4 years during World War II, and he never forgot the enormous debt that our Nation owes to all its veterans. He worked tirelessly and with great skill and dedication to ensure that their needs were met, particularly with respect to health care. His achievements are all the more remarkable, given the budget constraints and the many competing needs facing the country.

It is a tribute to his record and his reputation that this bill has the strong support of veterans groups throughout Massachusetts, including the American Legion, the Veterans of Foreign Wars, AMVETS, and the Disabled American Veterans. He has also received the highest honors from several national veterans organizations, such as the American Legion's Distinguished Public Service Award, and AMVETS' Silver Helmet Award.

Those of us who know Congressman Boland are well aware that he does not seek recognition for his success, but he deserves it. It is fitting that Congress is taking action now to name this veterans hospital in his honor, as a symbol of his enduring contribution to the lives and well-being of veterans in Massachusetts and across the country.

I commend Chairman ALAN CRANSTON and all the members of the Senate Veterans' Affairs Committee for their cooperation in expediting this tribute to one of the finest public servants that Massachusetts and the Nation have ever had.

JOB TRAINING PARTNERSHIP ACT

Mr. FORD. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 279, H.R. 3033, a bill to amend the Job Training Partnership Act; that all after enacting clause be stricken; that the text of S. 2055, as passed by the Senate on April 9, be substituted in lieu thereof; that the bill be deemed read a third time and passed; that the title be appropriately amended; that the motion to reconsider be laid upon the table; that the Senate insists on its amendment, request a conference with the House on the disagreeing votes of the two Houses and that the Chair be authorized to appoint conferees.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (H.R. 3033) was deemed read the third time and passed.

The title was deemed amended so as to read:

Amend the title so as to read: "An Act to amend the Job Training Partnership Act to strengthen the program of employment and training assistance under the Act, and for other purposes."

APPOINTMENT OF CONFEREES

There being no objection, the Presiding Officer (Ms. MIKULSKI) appointed Mr. KENNEDY, Mr. METZENBAUM, Mr. SIMON, Mr. HATCH, and Mr. THURMOND conferees on the part of the Senate.

PARTIALLY RESTORING OBLIGATION AUTHORITY AUTHORIZED IN THE INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT OF 1992

Mr. FORD. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 2641, a bill to partially restore obligation authority authorized in the Intermodal Surface Transportation Efficiency Act of 1992, introduced earlier today by Senator MOYNIHAN and others; that the bill be deemed read the third time and passed; and that the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (S. 2641) was deemed read the third time and passed, as follows:

S. 2641

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RESTORATION OF OBLIGATIONAL AUTHORITY.

(a) IN GENERAL.—$369,000,000 of the reduction in obligation authority for fiscal year 1992 required by section 1004 of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240) as a result of the enactment of section 1095 of the Intermodal Surface Transportation Efficiency Act of 1991 is restored for programs subject to the obligation ceiling.

(b) CLARIFICATION.—Section 1095 of the Intermodal Surface Transportation Efficiency Act of 1991 is amended in the first sentence by inserting ", subject to appropriations," after "is authorized".

APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Public Law 94–201, appoints Carolyn Hecker, of Maine, to the Board of Trustees of the American Folklife Center.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, in accordance with Public Law 81–754, as amended by Public Law 93–536 and Public Law 100–365, reappoints the Senator from Maryland [Mr. SARBANES] to the National Historical Publications and Records Commission.

Mr. FORD. Madam President, I yield the floor.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

NATIONAL FIREARMS POLICY

Mr. CHAFEE. Madam President, on Tuesday of this week, the Senate spent 4 hours debating whether or not to approve the minting of new coins. Yet, on that very day, as is the case every day, an average of 27 adults and children across our Nation were killed by a handgun, and 39 individuals, Americans, went to the hospital to be treated for handgun wounds.

Of those 39 patients, some will be permanently and severely disabled the rest of their lives. Others will go back to their homes and families wondering what kind of a society, what kind of a nation do we have where handguns are so commonplace.

We have many demands and many challenges and many problems facing the Senate and our Nation, and we need to spend far more of our valuable time and of our scarce resources focusing not on parochial or petty or political matters, but on those which are most critical to the well-being of this country of ours.

Two among the most pressing issues facing the United States of America are, first, the need to improve the quality of our education; and, second, the need to reduce the costs of our health care systems. But tied inexorably to progress on both of these matters is recognition of the costs placed on the United States of America and its citizens and its taxpayers by our national firearms policy. And that is what I wish to discuss for a few minutes this afternoon.

If we hope to achieve progress on education, it is imperative that educators be able to spend their time and their resources on their principal task, which is educating our young people. Likewise, if we are to move forward on health care, it is critical that we ensure our population is as healthy and as fit as possible, and thus reduce the demand for expensive health care services.

Yet today, educators are distracted from educating and pupils are distracted from learning by the ever-increasing and frightening presence of handguns within our schools.

And our efforts to hold down health care costs literally are being shot down by the more than $4 billion required to be spent every year on the ghastly woundings and deaths from handguns.

How many handguns are there in this country? It is estimated that there are roughly 66 million of these deadly weapons in the United States today. In 1982, there were only 53 million. That is a 25-percent increase in 10 years. According to the Bureau of Alcohol, Tobacco, and Firearms [BATF], we can expect to add 2 million handguns every year. That is hardly a comforting thought.

Handguns—these guns so easily concealed under a jacket or in a shoulderbag—cause untold damage and suffering in this Nation. The statistics are staggering, frightening, and shameful. Every year, handguns are estimated to be involved in at least 10,000 murders and 15,000 woundings—that translates to about 27 persons killed and 41 persons injured every day. Every year, we set a new record in handgun deaths: since 1988, handgun murders—which represent 75 percent of all firearms murders—have gone up each year by nearly 1,000 deaths.

Handguns are involved in an average of 33 rapes, 575 robberies, and 1,116 assaults every day. Handguns are responsible for 70 percent of all firearms suicides, about 3,200 of which every year are teen suicides; and it is a disgusting, terrible fact that these guns constitute the most efficient, effective, and lethal suicide method.

I. GUNS AND EDUCATION

Yet access to handguns has become easier, not more difficult; and their owners, younger. Children not yet old enough to drive are matter-of-factly carrying guns on their person every day. Children take guns to school as if they were lunchboxes; they go to gunsellers, not to their teacher, to settle a fight with another student; and they bring guns, not toys, to classroom show-and-tell.

Can children obtain handguns? The answer clearly is "yes." In 1989, in a national student survey, nearly half of all tenth-grade boys and about one-third of eighth-grade boys said "yes," they could obtain a handgun. Eighth-graders are 12 years old.

Not only do these youngsters carry guns, they take these guns to school. Five years ago, an estimated 270,000 students carried handguns to school at least once; and roughly 135,000 boys—whom research reveals are far more likely than girls to choose guns as their weapon—carried guns to school every day.

And that was 5 years ago. Since then, the problem has become worse. According to a 1990 national survey, one out of every five eighth graders say that he or she has witnessed weapons at school. That should come as no surprise, considering the number of youngsters that pack a gun to go to school. In Illinois, 33 percent of high school students have carried guns to school. Texas reports that 40 percent of 8th- and 10-grade boys who were surveyed had carried a gun to school at least once.

Nationwide, a full 19 percent of some 11,000 students—again, one in every five students—surveyed by the Centers for Disease Control admitted that "yes," they had carried a gun to school just in the past month.

I find these statistics to be absolutely stunning—and incredibly depressing. We are talking about young children.

Given the number of gun-toting youngsters, it is no wonder that gun incidents at school are becoming far more frequent. California officials have reported a 200-percent increase in student gun possession incidents between 1986 and 1990; Florida, too, has reported a sharp jump in student gun incidents. Here in the Washington area, in nearby

Prince Georges County, 23 incidents—more than twice the number of last year—involving guns, on school property have occurred since July, and we have not even finished the school year yet.

In nearly every instance these guns were handguns.

Right now, there is so much violence, and so many guns, at schools that some students are scared to go to school. According to the Department of Justice, 37 percent of public school students nationwide fear they will be the subject of an attack at or on the way to school. So what do these children do?

One method of protection is simply to stay away from school, and some children do. An Illinois study reports that 1 in 12 students is so scared of someone hurting them at school that they are staying home to avoid facing that risk.

But students cannot play hookey forever, and another, increasingly popular, way students conquer their fear is to carry a handgun for protection. They take their new-found security blanket to school; and the presence of that gun in turn feeds the very fear it was meant to assuage. Other students are driven to take their own protective measures; and the whole horrible ripple effect goes on.

The end result? Our schools, designed as places of learning, now are becoming places of tension and violence. It has come to the point where many urban schools conduct random gun searches, and safety drills include dropping to the floor at the first sound of gunfire. Meager school budgets must find money for metal-detectors, and for security guards to monitor the equipment. That is the last thing on which our schools should have to spend limited resources—those funds should be going toward textbooks, more teachers, or classroom and sports equipment.

But what choice do school administrators have? Children are learning to believe that guns are a way to resolve their problems. In earlier times, a student dispute might mean a fistfight after class. Now the quarrel often is settled—quite openly—with a gun. Just over a month ago, a 16-year-old boldly walked into a Potomac, MD, high school chemistry class and fired his handgun at point-blank range at his intended student victim, who somehow miraculously escaped the bullet.

This is an ever-more common pattern. Look at Jefferson High School in Brooklyn, where in the course of a dispute, a student killed one teen and another young innocent bystander, bringing the death toll—a death toll for schools—for this school year to 56. Look at the Crosby, TX, high school, where a 15-year-old girl shot a 17-year-old boy in the lunchroom for insulting her. Look at the third-grader in Chicago who pulled a handgun from his bookbag and shot a student in the spine. Look at the 11-year-old in Clinton, MD, who brought a fully loaded .38 caliber revolver to school to "impress his friends." And look at my own State of Rhode Island, where 3 weeks ago police confiscated a handgun from a 15-year-old junior high school boy who was waving it in front of other students in the school hallway.

"We've never seen a year like 1991–92," says the head of the National School Safety Center, referring to new highs in school gun violence.

No wonder 10 percent of parents at every income level worry about their children's physical safety. No wonder a recent "Dear Ann Landers" column on guns in schools provoked more than 12,000 responses from angry and worried parents, and resulted in a second day's column devoted solely to the printing some of these responses.

Children who are not yet 18 years old are becoming inured to the violence that is not only on the streets, but in their schools. They are becoming accustomed to the notion that guns help you get what you want—be it an added measure of safety, new respect, or some quick cash.

That acceptance is dangerous. We cannot afford to bring up future generations who are hardened and deadened to a culture of violence.

Let me share with my colleagues a story so bizarre, so horrifying, that it seems more like a fiction than fact. In my State of Rhode Island, just a few weeks ago, a teenage boy was given a class assignment to "write an interesting story." The three-paragraph essay he turned in was entitled "Man Killer." It consisted of an interview with his 14-year-old friend about what it felt like to kill a local shopkeeper. Let me read (verbatim) the first few lines:

> What it feel like thinking how a killer feel like. Well, it feel normal, said the "killer." Its just like stepping on a cockroach. * * * I feel bad for the guy said the killer. But I had to do it.

The boy's teacher, uneasy, and not sure that the story was actually fiction, turned the paper over to the police. With it, they were able to arrest the 14-year-old suspect.

I warn my colleagues: increasingly in our schools children are exposed to guns, children are becoming used to guns, and children are using guns. and these are children—gun use can start as early as at 8 years old.

This is appalling. We are desperately trying to improve our educational system. Schools, already burdened with many responsibilities, have more than enough problems to deal with right now. We have youngsters with learning difficulties, youngsters who do not get enough to eat, youngsters with drug problems, youngsters from totally shattered families. And now it appears that we cannot even guarantee children a safe place to work and to learn. This is outrageous. And it is simply intolerable.

How exactly are children to learn anything if they live in fear of walking down the hall and walking into some fatal, senseless dispute? They can't. If we cannot even guarantee children, parents, and teachers that they will be safe in school, any new and innovative ways of improving our education system will be useless.

Is this the way our Nation becomes competitive? Is this the way we prepare for the next century? No.

II. GUNS AND HEALTH CARE

Let me turn to the cost exacted by guns to our health care system.

Gun-related violence is choking city emergency departments, hospital resources, and indeed our entire health care system. We pay dearly—not only in terms of moneys, but in terms of precious time and resources—to patch up those who have been shot by a gun. Often, the more serious the wound, the higher the costs—and the higher the likelihood that the person will not make it. Bone-shattering, nerve-cutting gunshot wounds and gunshot deaths place incredible stress on our health care system and are major contributors to its ever-escalating costs.

What are the health care burdens and costs associated with gunshot wounds? Let us take a look at the number of firearms deaths and injuries.

How many firearms-related deaths do we suffer each year? Thousands: about 60 percent of the 23,000 annual homicides are firearms-related, and 75 percent—or around 10,000—of these involve handguns. And these account only for those deaths that are willful and intentional; adding in the accidental firearms deaths boosts the annual number by another 7 percent or 1,500.

Now let us turn to firearms injuries. According to a 1991 General Accounting Office estimate, every year more than 65,000 Americans—180 per day—are injured seriously enough to be hospitalized for firearms injuries. About 12,000 of these are estimated to be victims of accidental injury; the remaining 53,000 or so are thought to have received intentional injury.

I want to again emphasize here that handguns play a particularly prominent role in firearms deaths and injuries. In 1990, handguns were the weapon used in at least 10,000 murders, which is about 43 percent of all murders. As for handgun injuries, an estimated 15,000 persons are shot and injured by handguns during the course of a crime; virtually all—95.5 percent—of those wounded required medical attention and care.

These injuries place a huge burden on health care providers. "We used to see one or two major trauma victims a day * * * usually car accidents or falls," says the chairman of the emergency medicine department at a major California hospital. "Now, we see probably four to eight every day, and of those, 30 to 40 percent are gunshot wounds or

stabbings. The other evening, we had five gunshot wounds in 3 hours, and the ages were 12, 15, 16, 19, and 22." An emergency room doctor in New York adds: "Knives are passe, Today, everybody has a gun. * * * As proud as I am of the advances of trauma technology, I must tell you that the weapons technology has outstripped our therapeutic skills."

Emergency rooms and hospitals providing trauma care are reeling from the added demands of gunshot victims to the overwhelming caseload they already carry. One-third of community hospitals now are reporting emergency department gridlock at least weekly. They just cannot handle it. Gun wounds increasingly contribute to this turmoil.

No wonder the American Medical Association, the American College of Emergency Physicians, and the Emergency Nurses Association all endorse handgun control provisions. Their members have the grisly job of cleaning up the bloody mess of gunshot wounds.

The financial drain caused by this carnage is staggering. A 1990 Bureau of Justice Statistics report concluded that 68 percent of victims of handgun injuries incurred during a crime required overnight hospital care; 32 percent remained in the hospital for 8 days or more.

Hence, the costs associated with gunshot wounds are tremendous. Eight years ago, three researchers at San Francisco General Hospital calculated that the hospital bill for patching up gunshot victims—80 percent of whom had handgun wounds—ranged from $559 to $64,470 per patient. The average cost was $6,915; and the average stay, 6.2 days.

Recent data, compiled in the past few years, reveals even greater costs: the American College of Emergency Physicians reports that based on data collected at a major hospital during the 1989–91 period, the cost per gunshot victim ranged from $402 to $274,189. The average cost? $9,646. The average stay? About 7 days. Another study, conducted during 1988–90 at the University of Arizona Emergency Medical Research Center, concluded that gunshot costs ranged from $9,800 to $125,300 per victim. Again, the average cost per gunshot victim was high: $16,704.

Think of that: if the average cost is $16,704, and the estimated number of total gunshot injuries is 65,000, the annual cost of hospitalization for firearms injury is at least $1.1 billion. And this amount does not include additional charges, such as those for physician services, ambulance services, follow up care, and rehabilitation.

This is an important point: health care for gunshot victims does not stop when they are discharged from the hospital. For some, it is just the beginning. In too many cases, the bullet or bullets cause permanent damage for which intensive rehabilitation is necessary.

Thus, up the costs go again. Since firearms are responsible for a substantial number of all traumatic spinal cord injuries, let's take as an example spinal cord injury rehabilitation. At one typical rehabilitation center specializing in spinal-injury treatment, a full 35 percent of the spinal patients are gunshot victims, second only to the 40 percent of automobile victims. The center's daily—daily—per patient rate for care is $1,500.

How many days do these patients stay? Depending on how fully or cleanly the bullet has severed the spinal code, the spinal injury patients suffer partial or complete paralysis. Paraplegic, or partially paralyzed, patients usually receive around 75 days of care, during which time they receive intensive occupational and physical therapy. Cost: $112,500. Quadriplegic patients, those paralyzed in all four limbs, usually stay for 5 months. Cost: $225,000. This cost is incurred in addition to the $100,000 that is commonly required for acute care of such serious injuries.

Amazingly, and sadly, fully half of the gunshot spinal injury patients at that rehabilitation center are under age 25.

When you add up the costs, from the initial emergency room care and accompanying hospital stay, to the ambulance services, follow-up visits, and rehabilitation treatment, the overall cost of firearms to our health care system is colossal: an estimated $4 billion, according to the chair of the 1991 Advisory Council on Social Security.

Who pays this monumental bill? Who else?—the taxpayers. An estimated 86 percent of the staggering costs associated with firearm injury are paid by Government sources.

What people just do not seem to realize, or to think much about, is that guns are as significant a cause of harm, and expense, to individuals as are motor vehicles. We hear quite often that injuries are a leading cause of death in the United States, and that motor vehicle injuries account for a significant portion of these injuries. Yet most don't realize that guns rank right up there with motor vehicles.

According to data compiled by the injury prevention network, 32 percent of all fatal injuries are caused by motor vehicles; firearms follow in second place with 22 percent. Combined, the two account for over half of all injury-related fatalities in the United States.

In fact, in 1990, firearms overtook motor vehicles to claim the dubious honor of being the leading cause of injury-related death in Louisiana and for the first time in Texas. In other words, gunshot wounds in those two States cause more deaths than automobile accidents. And while the incidence of motor vehicle deaths is going down, that of firearms deaths is going up.

Let us face the facts: guns cause great physical damage. That damage, in turn, is forcing the ever-rising costs of health care up, up, up.

III. SUMMARY: WHAT CAN WE DO?

In sum, we have scared children, we have scared parents, we have terrible, bloody violence, and we have terrible gun-related health and societal costs.

It is time to wake up. This is a matter that affects all of us. There are many who think: "Well, that gun problem is limited to drug dealers killing other drug dealers, and anyway, it only happens in those low-income neighborhoods."

To those who comfort themselves that this is someone else's problem—a low-income neighborhood's problem, an urban problem, a minority problem—to them I say, "Wake up!" We all need to care, and not just because the problem is spreading, but because are talking about children to whom we as a society have a responsibility. They deserve our protection.

Other industrialized nations do not tolerate handgun slaughter. Canada, which like the United States has a Wild West pioneer heritage, has stronger gun control laws and an annual firearm-related death rate of around 1,400—only about 180 of which are gun homicides. Those statistics are much higher than those in European nations, but they are negligible in comparison to our 23,000 firearms murders. As for handguns, less than 300,000 Canadians own one. We Americans own 66 million, and if handgun manufacturers like the Jennings family have their way, we can look forward to being flooded with thousands more cheap $35 models in the near future.

Guns cause terrible damage in this country, yet we do little to prevent it. Have we simply become accustomed to the killings? Are we compliant witnesses to the "terrible stillness of death"—as one witness to a violent shooting called it—now being heard around the country?

We are a caring nation; a nation of people who are appalled at these acts of devastation. We must not become inoculated to such violence.

Steps have to be taken in this country. I am going on record today to say that more must be done—and I am talking about measures to restrict the incredibly, insanely easy access to guns in this country. In the next week or so I will present to my colleagues what I consider to be the best solution. It is time to act. We cannot go on this way.

I thank the Chair. And I thank the distinguished Senator from Hawaii for waiting.

Mr. INOUYE. Madam President, will the Senator yield?

Mr. CHAFEE. I yield.

Mr. INOUYE. I commend my friend from Rhode Island for this extraor-

dinary statement. I am glad I was here to listen to him.

I just hope that my colleagues in the U.S. Senate will take the time to acquaint themselves with the horrendous statistics that the Senator presented today. It must be made must reading because I thought I knew just about anything that can be known about handguns. I did not realize it was this bad.

I commend the Senator.

Mr. CHAFEE. I thank the distinguished Senator very much.

I do not know what they do in this area where they have a relatively confined and I suppose controllable situation where they can take measures at the State level which we would find difficult in the continental United States where our borders, any State's borders, are so relatively accessible to another State's borders. In other words, to go from the central part of any State to the next State, in most parts of the United States it is pretty easy and so getting control of this situation is extremely difficult on a statewide basis, but in Hawaii it is somewhat easier. I assume. I do not know what measures they are taking. But I am going to address the solution to this problem next week.

Mr. INOUYE. I am pleased to tell the Senator that last year Hawaii had 29 homicides, as compared to nearly 500 in this city.

Mr. CHAFEE. That is a remarkable record for Hawaii. They have such fine people out there that they do not go out around shooting each other. The Senator said 29 homicides out of a population of what?

Mr. INOUYE. Over a million.

Mr. CHAFEE. Just a million. That is a remarkable record, particularly when we look around this city that we live in, Washington DC, whereas as the Senator points out there were over 400.

Mr. INOUYE. I think it is 469.

Mr. CHAFEE. Something like that already this year.

I thank the distinguished Senator.

The PRESIDING OFFICER (Mr. LAUTENBERG). The Senator from Hawaii.

THE FUTURE OF AMERICAN SUBMARINE PRODUCTION THE SSN21–"SEAWOLF"

Mr. INOUYE. Mr. President, I support the *Seawolf*. I think President Bush was wrong to ask the Congress to rescind the funds it had appropriated for the production of the second and third ship in this modern, technologically advanced class of nuclear attack submarines. I believe the Secretary of Defense was mistakenly led to recommend that rescission to the President. To put the matter directly, it now appears that both the President and the Secretary of Defense were misinformed. The rescission, and not the submarine should be canceled.

Let me be clear: With the demise of the Soviet Union, the decision to cancel future funding of the *Seawolf* program may be appropriate; I will agree that we could stop the program after three submarines have been built. That would make the *Seawolf* a viable class of submarines. It could operate effectively, crews could be trained, maintenance could be scheduled to achieve cost efficiencies, and missions—which only the *Seawolf* can perform—could be successfully engaged. Yes, we could stop after three.

But to take away the funds already provided, to incur huge costs and have nothing to show for it, to threaten the industrial base for submarine production while endangering American technological leadership in nuclear submarines is a mistake. I know that. The Navy knows that. Americans who build submarines for our country and Americans who go under the sea in them, know the decision is a mistake.

Mr. President, I suspect that today both the President of the United States and the Secretary of Defense would, perhaps in a private moment, admit that it is a mistake.

Let us examine the facts. The President has proposed the rescission of $2,765,900,000 previously appropriated for the procurement of two SSN–21's. In addition, the President proposes the rescission of $189,400,000 already provided for SSN–21 training and support equipment. These rescissions are proposed as deficit reducing measures and, in each case, the President's rescission message said, "The Navy's ability to accomplish its mission successfully would not be affected by this rescission proposal."

Are these the real facts? No. Upon close examination they appear to be shadows in the smoke and mirrors game being played at the White House and the Office of Management and the Budget. The rescission of funds already provided by the Congress for the *Seawolf* would not save money. When the details are reviewed, Navy papers show little costs can be recovered. Moreover, with little budgetary savings to be achieved, this decision would rob the Navy of a significant capability and would have a pronounced negative effect on the Navy of the future and its ability to meet the objectives we will expect of it. Work on these submarines is underway, contracts have been awarded, and there are substantial contract liabilities which must be met if they are terminated.

When the fiscal year 1993 budget was sent to the Congress, supposed savings were identified. Later, when the Pentagon leadership began to more carefully examine the costs of terminating contracts—contracts which it had itself signed—it was found that savings would not occur. Oh, at first, it was said that substantial savings could be achieved because termination costs would be no more than $450 million. Then the estimate of these costs grew to $900 million, and more. Indeed, the most recent calculation by the Assistant Secretary of the Navy for Acquisition shows that termination costs will exceed $1.9 billion.

This is not just a matter of faulty estimating. In point of fact, the Navy did not know what the termination costs would be when the decision to rescind funding was made. In a hearing before the Senate Armed Services Committee on April 1 of this year, the Assistant Secretary for Acquisition was asked by Senator LEVIN if he knew what the termination costs would be when he recommended termination. The answer was "No."

Mr. President, some Members may wonder why money cannot be saved. Well, the answer is that the funds to build the second and third *Seawolf* submarines have not only been appropriated, but binding contractual commitments have been made by the Pentagon for advance procurement of equipment for these ships. Funds already so committed and expended cannot be saved by a decision not to build these ships. I have read the Navy documents which, in the clipped phrasing of Navy memos, state "Substantial majority of effort already expended." These documents show that little or nothing will be saved in equipment contracts.

For example, on ship sets of the *Seawolf* fire control system, the AN/BSY–2, the Navy says: "SSN–22 unit is required to complete R&D and insure timely delivery of lead ship set, estimated net recovery for termination of SSN–23 ship is negligible, however, due to anticipated cost impact to remaining R&D and SCN efforts." In other words, we could terminate the ships and have a lot of parts lying around, but we would not save money.

Mr. President, I do not believe that is what the Senate wants to do. It does not make any sense. The expenditures for equipment already procured and the costs of contract terminations are substantially greater than any savings assumed by the Pentagon. These are their contracts; they should know better.

Senators should ask themselves, if this were our idea, if we in the Senate suggested that the Department of Defense terminate a procurement program, and if we suggested that it do so even if that meant breaking contracts and absorbing the costs of equipment procured in advance of production, what could we expect? Surely, the President would rail against us and decry our actions; we would be accused of micromanagement. Well, Mr. President, the decision to terminate the *Seawolf* is not micromanagement on the part of the Pentagon—it is not management.

The proposed rescission of funds for the *Seawolf* will not save money; It will

cost money. Furthermore, it is clear that, if carried out, the decision would cost American technological leadership in Submarine warfare, it would endanger our industrial base, and it would place our naval forces in danger.

Mr. President, I am not alone in this belief. The former Chief of Naval Operations, the most senior military officer in our Navy has said:

> With termination of the *Seawolf* and cancellation of funds, President Bush and Defense Secretary Dick Cheney have put the future of submarine warfare and submarine technology in turmoil or a one-timer saving that gets smaller with every estimate.

Indeed, Mr. President, as I review the proposed rescission, I think the Secretary of Defense and the President ought to admit that they were mistaken.

Mr. President, I have made some broad assertions. Let me substantiate them. I wish to address three aspects of the rescission proposal:

First, I will add to what I have said already and address the question of costs and savings;

Second, I will address the question of American technological leadership and nuclear submarine construction; and

Third, I will address the importance of the *Seawolf* to future submarine warfare.

First, the costs.

The President proposes to save $2.9 billion through the rescission of funds provided for the *Seawolf*. The Navy now calculates that termination costs will be $1.9 billion. Without new submarine production, the shipyard which is now under contract for the SSN–21, Electric Boat, will go out of business. The Government will face additional shutdown costs of somewhere between $500 million and $1.5 billion. To this we must also add the sunk costs of approximately $1 billion already expended on design and construction of the SSN–22 and SSN–23 and on equipment procured in advance of production.

So, to save $2.9 billion, we would lose at least $3.4 billion and, perhaps, as much as $4.4 billion. The costs of this decision far outweigh the supposed savings. And we would have nothing to show for it. On the other hand, without the appropriation of additional funds, we can complete the production of SSN–22 and SSN–23, which, together with SSN–21, can form a valued and viable military asset.

Second, the industrial base and preservation of American technological leadership.

The *Seawolf* is the newest attack submarine in the world. It incorporates significant technological advances developed since completing the Los Angeles class design in the 1970's. Adm. Bruce Demars, the Director of Naval Nuclear Propulsion, has testified that, "the *Seawolf* will operate more quietly over the ship's entire speed range than the Los Angeles class submarine does sitting alongside the pier." Admiral Trost has testified that the attributes of the *Seawolf* "constitute major advances in submarine mobility, combat effectiveness, and survivability."

There is no question that the United States is the world leader in nuclear submarine construction. That commanding position will be eroded and, perhaps, lost forever, if the *Seawolf* is not built as a technological bridge to the future. As Admiral Trost has said:

> Unilaterally forfeiting world leadership in submarine design and construction, with the knowledge that it will be required in the future, is irresponsible. * * * The imperative to design, build and operate the most capable submarines has not changed. Today that existing submarine design is *Seawolf*.

In testimony before the Armed Services Committee on April 1 of this year, both Admirals Demars and Trost had similar observations about the need to actually build and operate submarines. In essence each said, you cannot maintain the construction and production skills required for submarines with design exercises or surface ship construction.

Mr. President, I do not believe anyone in this Chamber can fully appreciate the complex engineering, precision manufacturing, rigorous and comprehensive training and formal operating procedures which go into the production and operation of nuclear submarines. The fact is our country has done this and done it very, very well.

We have all seen the pictures of Soviet nuclear submarines limping along on the surface with smoke billowing out of reactor compartments. That American nuclear powered ships have steamed nearly 90 million miles and accumulated 4,000 years of operations without a reactor accident or release of radioactivity which has had an adverse effect on the crews, the public, or the environment is a tribute both to the Navy and to the contractors who have built them for us.

The preservation of the American technological advantage is not just a matter of building nuclear submarines. If costs were not a factor, we could restart the line and build more of the Los Angeles-class submarine. A restart, however, would be more costly than completing the three *Seawolf* ships. It is not just a matter of building nuclear powered ships. If rising costs do not prevent us from doing so, we will build nuclear powered carriers. But that would not maintain the unique skills and the manufacturing and testing regimes which submarines require. It is a question of building this class of submarines—the *Seawolf*—as a means of preserving both the base of skilled workers and the manufacturing capacities for submarine production.

It is a question of maintaining the technology as a bridge to the future. Paper designs alone will not work. We have to build to preserve.

Mr. President, last fall, Navy Secretary Garrett wrote to Senator LIEBERMAN urging him to support the *Seawolf*. He told Senator LIEBERMAN, "the *Seawolf* is absolutely vital to maintain our Nation's technological superiority in undersea warfare." In intensive discussions on the eve of our full committee markup of the fiscal year 1992 defense appropriations bill, Navy Secretary Garrett personally intervened and asked me to restore funding for the *Seawolf*. As has been noted, that was just 3 months before the President's State of the Union announcement that he would rescind funding for the *Seawolf*.

Mr. President, the senior civilian and military leaders of the Navy have testified to the importance of *Seawolf* construction to the preservation of the submarine industrial base and the protection of American technological superiority. The principal designer and manufacturer of nuclear submarines has testified on the importance of continuing *Seawolf* production. Electric boat has offered unchallenged testimony that, without the *Seawolf*, submarine production at the yard will be finished—for all time, Mr. President, for all time. These are the people who have delivered the safest, most effective submarines in the world. I believe them.

On the other side of the scale is a hastily contrived decision which is justified as a cost saving measure and which does not measure up. How many here know that the Deputy Secretary of Defense, Mr. Atwood, commissioned a study on submarine industrial requirements after the termination of *Seawolf* was announced. The decision was unfortunately made before the study was begun and before the submarine industrial base options were understood. Mr. President, I think that is a telling indictment of the process which led to the decision to rescind funds for the *Seawolf* and put America's submarine industrial base in peril.

And now, Mr. President, I come to my third assertion, that the *Seawolf* is important to the future of submarine warfare.

In a very courageous statement before the Armed Services Committee, Admiral Demars said that in his personal professional opinion we should continue production of the *Seawolf*. As the director of naval nuclear propulsion he was concerned about maintaining the nuclear submarine industrial base, particularly the base of sub-vendors, many of whom make limited quantities of items uniquely designed for nuclear submarine propulsion units. But he also spoke of the military utility of the *Seawolf* in the context of the post-cold war environment. Admiral Demars said, "the former Soviet fleet is intact and still the world's largest submarine force. And their third generation submarines are significantly better that their predecessors."

He also said, "attack submarines, because of their stealth, mobility, and endurance, are also ideal platforms to help deal with regional conflicts. Attack submarines can arrive on station unsupported, without risk to escorts and need for logistic trains. They can collect intelligence, launch cruise missiles ashore, land special forces, lay mines, and clear the area of enemy ships." Mr. President, I hope we will never have to make use of these capabilities, but history would indicate that we must be prepared.

Mr. President, many attributes of the *Seawolf* are and must remain classified. However, expert witnesses have told the Senate in open hearings that the *Seawolf* has:

A tenfold improvement in stealth—that is, quietness—over the improved SSN-688 class, a major increase in tactical speed, the maximum speed at which the submarine's sensors are fully effective, and a highly automated combat system with rapid target localization, a key feature when up against very quiet diesel-electric or nuclear submarines.

These are significant improvements because they will permit the *Seawolf* to operate effectively against the very quiet diesel-electric submarines presently being acquired by regional powers who may one day be hostile towards the United States. Because of its improved technologies, the *Seawolf* can operate more effectively in shallow waters, a not inconsequential consideration when the depth of the Straits of Hormuz or much of the Indian Ocean or the South China Sea is measured.

Mr. President, 90 percent of the supplies for Operation Desert Storm moved by sea—over 8,700 miles one way. Because Iraq did not have a navy of any consequence, this was a logistics rather than a military problem. But we will not always be so lucky, Mr. President. Our geographic position dictates the requirement that we maintain the wherewithal to control the seas or risk becoming isolated. We are a maritime nation. Exports now comprise 25 percent of our manufacturing output, up from 10 percent in the 1970s. The United States must maintain a strong Navy capable of protecting our national interests, our allies, the sea lines of communication so vital to our economic well-being.

Mr. President, I will conclude my remarks. I believe I have demonstrated that the decision to rescind funds appropriated for the *Seawolf* was an ill-considered decision which we should reject because cancellation of the *Seawolf* will not save money; it will destroy the submarine industrial base and irresponsibly surrender the American technological advantage in nuclear submarine production and design; and it would rob the Navy of a significant capability and would have a pronounced negative effect on the Navy of the future and its ability to meet the objectives we will expect of it.

And so, Mr. President, I support the *Seawolf*.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, first of all, before the distinguished Senator from Hawaii leaves, I would like to commend him on his statement. I heard his entire statement and that is the reason I stayed, because I wanted to hear what he had to say. It seems to me he laid out the arguments as well as anybody possibly could.

What particularly appealed to me was the accent that he made on what we call the industrial base, which is a term that is kicked around a lot around this place, but it seems to me what the Senator from Hawaii was saying is that these are very unique skills that are not readily transferable to something else.

As I understand it, and certainly I firmly believe it, if we do not continue to build these *Seawolfs* at a very modest rate—I think the original goal was something like 14 and now it is down to 3—so there is no question but that there is a peace dividend there. I thought the point the Senator made was that he pays tribute not just to the U.S. Navy and the safety record that has been achieved, but he also pointed out the suppliers, the record that they have achieved in supplying the U.S. Navy with these goods that meet very high tolerances.

And thus we have had this remarkable record. I could not repeat how many million miles of steaming hours the Senator said they have had and how many, I believe the Senator said ship years.

Mr. INOUYE. 4,000.

Mr. CHAFEE. 4,000 ship years without any——

Mr. INOUYE. Without a single accident.

Mr. CHAFEE. Without a single accident, which is remarkable. And as, of course, the Senator has pointed out, we have, indeed, seen pictures of these Soviet submarines under tow or just simply limping along, as the Senator pointed out, with the smoke billowing from them.

I commend the Senator from Hawaii for his very fine statement; and second, I thank him for the wonderful support he has given in furtherance of the points he is making toward this *Seawolf* program. The Senator has been a stalwart, and all of us from the States affected are very grateful to him.

Mr. INOUYE. Mr. President, I am most grateful for the gracious remarks. But as chairman of the Defense Appropriations Subcommittee, may I assure my colleagues that I would not be here supporting the *Seawolf* if I did not believe it was in our national interest. It is in our national interest.

If I may respectfully correct my colleague, the original plan was to build 29 *Seawolfs*, and we are just building 3; just about 10 percent. This is a major departure from our original plan. Without the three, we will not have a working unit to bring about cost effectiveness. But all in all, just from the standpoint of money, because that is our major concern at this moment, we would be saving money by building these three. If we followed the President's recommendation, it would cost the taxpayers $4.4 billion. There will not be any savings.

So I thank my colleague.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, I also commend and congratulate the Senator from Hawaii on his thoughts and express my delight and joy at his conclusion that the *Seawolf* is very much in the national interest. I appreciate that.

I think that the influence of sea power on history, as was written by Alfred Thayer Mahan about 100 years ago, is just as valid today as it was when he wrote it 100 years ago. And in the end, it is not the airlanes that control the military position of one's adversary as much as the sealanes.

I am also, speaking parochially, delighted with Senator INOUYE's conclusions about the national interest, because that also is a great source of comfort to my constituents in Rhode Island.

Mr. INOUYE. I thank the chairman of the Foreign Relations Committee.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. Mr. President, I thank the Chair.

Mr. President, I see my distinguished colleague from the State of Washington, Senator GORTON. I wonder if he, too, was seeking recognition at this time. I am in no hurry if he desires to go before me.

Mr. GORTON. He was, but he recognizes that his friend from Arkansas was here first.

DIRECT ELECTION OF THE PRESIDENT

Mr. PRYOR. I thank my friend from Washington.

Mr. President, I am going to speak just a few moments this afternoon. The hour is late. But I did want to inform my colleagues, Mr. President, through this very short presentation, that on Tuesday or Wednesday of next week I will be introducing a Senate joint resolution that would abolish the electoral college and provide for the direct election of the President and Vice President in this country.

This is a Presidential election year. As we know, it happens each 4 years. And during that time, it serves not

only as a rare but, I must say, a precious opportunity that we as Americans in the democratic system are granted to choose a new leader, and sometimes to retain our present leader. But what we lose sight of in this country is that actually we as Americans and we as voters do not directly elect our leader. We do not directly elect our President. We vote for electors, a mysterious group of citizens. We do not know their names. They meet, and they cast their vote in a very, very fascinating environment, creatively called the electoral college.

Mr. President, under the present law and the two constitutional provisions which generally guide us in this process—that would be the 12th amendment to the Constitution; and parts of that amendment, Mr. President, have now been superseded by the 20th amendment to the Constitution—they furnish us the cornerstone of our Presidential election process that is unique to our system.

Each of us in this body is elected directly by the people; the other body is also elected directly by the people to membership therein. Members of our school boards, our city councils, our country officials, our State Governors, our State legislators, everywhere throughout our system we find that our officials and our leaders are elected directly by the people.

When I first came to this body in 1979, one of the first debates I had the privilege to have been engaged in was on this very issue, the issue that I point up this afternoon, whether or not our democracy should have a direct election for President, or whether we should retain that mysterious electoral college system that we have had for almost 200 years.

Mr. President, after the debate in 1979, ultimately that question was resolved by fewer than enough Senators. Some 51 Senators voted in favor of abolishing the electoral college and 48 voted in opposition. However, it takes two-thirds of this body and the other body to refer such a resolution to our respective State legislatures, and then three-fourths of those bodies must ratify our action.

This resolution is something, Mr. President, that would not affect the election for President in 1992. This is an issue, Mr. President, that I bring before the Senate and will bring before the Senate in a more detailed fashion early next week because I think it is time once again, for the first time since 1979, that the U.S. Senate involve itself in debating this issue whether or not we should elect our Presidents by a direct popular vote.

In 1969, there was another debate, Mr. President. This debate centered in the House of Representatives where an overwhelming number of the Members of the House—I was a Member of that body at that time—voted in favor of a direct election for President of the United States.

I might add, as a little bit of trivia for late Thursday afternoon, that one of the Members of the other body, the House of Representatives, who voted for the abolition of the electoral college and in favor of the principle of a direct popular vote was then a young Congressman from the Houston area, Congressman George Bush, who supported the direct election for President of the United States.

Mr. President, I think that our democracy and our country and our people, with our system of communication, our system of transportation, with our system of being able to be made instantly aware of events, instantly aware of positions, with the coming of C–SPAN, all the cable systems, the evolution of television, and all of the rest of those occurrences and events in our generation—I think that our democracy and our country have reached the maturity where today the people themselves, in a direct popular vote, should choose the President of the United States.

We have 538 electoral votes. There are 100 from the Senate, 435 from the House of Representatives, and 3 for the District of Columbia, making a total of 538 electoral votes. If a candidate seeking the Presidency does not receive at least 270 of those electoral votes, then Mr. President, this election is still not placed directly in the hands of the people, this decision is placed in the House of Representatives. In the House of Representatives, should that event occur—and it has occurred in the past—each State is given one vote. And when one candidate receives 26 votes, that candidate is the President of the United States.

Further, Mr. President, under our present system, the U.S. Senate, not the House of Representatives, chooses the Vice President of the United States.

So we could have an event or an occurrence where the Vice President of the United States would be chosen by the Senate, and it could be a Democrat. Over in the House of Representatives, the other body, the President of the United States could be a Republican.

There are all kinds of scenarios that make us wonder why in the world we risk this potential constitutional crisis and dilemma. Why gamble, when I think we have in our country the wisdom and, once again, the maturity to directly vote for President of the United States.

Mr. President, in 1979, as a matter once again of information for our colleagues, the idea of a direct popular vote was supported by liberal and conservative groups. For example, the American Bar Association, the U.S. Chamber of Commerce, the United Auto Workers, the League of Women Voters, the National Federation of Independent Businesses, National Small Business Association, American Federation of Teachers, AFL–CIO, Common Cause—a whole host of organizations representing several aspects and segments of our society and our economy supported a direct election.

So, Mr. President, next week I am going to further discuss why I believe that we should have a direct election for the President. I will be discussing some of the aspects of a Senate joint resolution that I will be introducing. In fact, this afternoon while visiting with my colleague from Oklahoma, Senator BOREN, I was asked if I would not include him as an original cosponsor.

I certainly will be proud to have his support because, once again, in 1979 when he, too, was a very new Member, only having arrived a few months before, this was one of the very first major votes that the Senator from Oklahoma and the Senator from Arkansas, and others during that period, had the opportunity to deal with and to vote for or against. Senator BOREN joined the majority of the Senate in supporting a direct election for President.

Mr. President, it is now time to revisit this issue. It is the proper time. It is an election year for President. And it is a time when we should rethink this. This is a serious question. It should not be taken lightly.

I think it is time we have not only a debate in this body, but we need to have a debate in this country to see whether or not it is time to make this change, and vote for our President directly without having Presidential electors cast our vote in our behalf.

Mr. President, I thank the Chair.

I yield the floor.

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. Mr. President, I rise to speak very briefly. First, I thank the Senator from Arkansas for his very fascinating remarks. I look forward eagerly to seeing the resolution and to hearing the further arguments. We certainly have to make some changes in the way we select our Presidents. I am eager to look at the polls by the Senator from Arkansas.

THE RODNEY KING VERDICT

Mr. CRANSTON. Mr. President, nearly 127 years have passed since slavery was abolished. Yet our country still suffers, almost daily, from the remnants of that great evil. Only strong, courageous, moral leadership can bring it to an end.

By now, we have all seen the images of a smoldering, charred, and smoke-filled south central Los Angeles where the Watts riots occurred almost three decades ago. We all wonder what progress there has been since that unhappy time. We know about the tragic

deaths and destruction of property that have occurred within the past 24 hours. And while I decry the senseless destruction of life and property, I am also stunned that the four officers charged with viciously assaulting Rodney King were acquitted on virtually all counts.

Racism is a cancer in the very soul of America. It besmirches everything good that America stands for. It diminishes us not only in the eyes of the world, but in our own self-esteem. I join with my Senate colleagues who urge Federal action in this matter.

We call on President Bush, as the leader of our country, to condemn, unequivocally, racism in all its evil forms. Our President should solemnly pledge to do all in his power to root out racism in America. Similarly, Bill Clinton, Jerry Brown, Ross Perot, and others who aspire to the Presidency should speak out loud and clear now and through the rest of the campaign against the un-Americanism of racism.

They should tell us in specific terms what they intend to do, what they will do, to eliminate racism in our land, if they are elected.

Earlier today, I wrote to Attorney General Barr and encouraged his investigation into this matter. I add my voice to those who understand that while our system of justice has performed, justice has not been served.

Mr. President, I ask unanimous consent that the full text of my letter to Attorney General Barr be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, April 30, 1992.

Hon. WILLIAM P. BARR,
Attorney General, Department of Justice, Washington, DC.

DEAR WILLIAM: I am writing with deep concern about the current status of the case involving the video-taped beating of Rodney King by four Los Angeles Police Department officers.

On March 25, 1991, I contacted then-Attorney General Thornburgh to request that the Justice Department review policy brutality complaints against both the Los Angeles Police Department and the Los Angeles County Sheriff's Department. Then, as now, I unequivocally encourage and support your Department's investigation into possible violations of Mr. King's civil rights.

By now, most of us have seen the savage and unmitigated beating suffered by Mr. King at the hands of the four officers. The computer messages transmitted between officers on the night of Mr. King's thrashing reveal callousness and racial bias among some police officers. Though a jury has definitively spoken with regard to the state criminal charges against the four officers, I hope that a prompt and serious federal investigation under your direction will answer the questions that many Americans have regarding this matter.

Cordially,

ALAN CRANSTON.

Mr. CRANSTON. Mr. President, I yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

HOMELESS VETERANS

Mr. GORTON. Mr. President, the men and women who serve in the Armed Forces are, to this Senator, heroes of the highest order. They have risked, and all too frequently sacrificed, their lives for their fellow soldiers, sailors, and airmen, for the principles for which this Nation stands.

The discipline and pride gained while serving in the Armed Forces helped many veterans adjust to a prosperous life outside of the military. After serving their country on the battlefield, most of these veterans came home to pursue careers and raise families. Many of these veterans settled in my home State of Washington and are outstanding citizens.

Unfortunately, Mr. President, some have not been so fortunate.

I speak of the thousands of veterans who, although they sought both a career and a family, have been unable to adjust to the world off of the battlefield. As a result, many have taken to the streets and are now part of the growing homeless population in the United States.

As one of the four States of the Nation with the largest numbers of veterans and active-duty military personnel, Washington State is home to more than 500,000 veterans. I have recently come to discover, however, that veterans comprise some 35 percent of the homeless population of my State. I consider this a disgrace.

Four years ago, a Homeless Veterans Reintegration Program was established to provide needed assistance to homeless veterans in 15 cities across the Nation. Since its genesis, the Homeless Reintegration Program has had tremendous success in locating and helping homeless veterans reintegrate themselves into the labor force by teaching them important job skills.

Washington State has been cited as the "national model" for homeless reintegration. Projects in Seattle, Tacoma, and Olympia are showing overwhelming success in seeking out homeless veterans, successfully placing more than 1,600 of them in the past 4 years at a cost of about $470 per placement. The overall placement percentage is about 40 percent.

The average amount of time spent training these veterans is 41 to 45 days. In other words, Mr. President, outreach workers are literally taking veterans off the streets and, after not much more than 1 month, returning them to society, which is a truly exceptional accomplishment.

The National Coalition for the Homeless reported that HVRP outreach workers located 10,000 homeless veterans and found jobs for 2,200 of them in their first year of operation. These numbers are a good indication that HVRP is making a dent in our homeless population all across America and should be given the opportunity to continue at its current pace.

The administration and Congress approved funding for HVRP at just more than $2 million in fiscal year 1991, and then cut funding to $1.36 million in fiscal year 1992. Although the Senate Veterans' Affairs Committee recently introduced legislation to increase funding for HVRP in the upcoming fiscal years, this 1-year shortfall of $652,000 will seriously curtail, if not close, some of the HVRP programs just as they are gaining momentum.

Although the HVRP funding uses a relatively small amount of money, that modest amount is what keeps these programs alive. In Washington State, for instance, one of the three programs may be forced to close if those funds are not reinstated. If these funds are restored, however, and additional funds approved, the HVRP program in Washington can continue to operate at its current level and perhaps expand its operations to the eastern part of the State where it could attend to the needs of Native American and Hispanic veterans, among others. The men and women who work with our homeless veterans, many of whom were once homeless veterans themselves, tell of how establishing trust is critical in the process of getting the veterans off the streets and bringing them back into a productive role in society.

Outreach workers in Washington State and across the Nation are gaining this trust and helping homeless veterans to find the self-esteem necessary to become contributing citizens in our society.

Mr. President, it is never too late to recognize the invaluable contributions of anyone who has risked his or her life to protect and promote democracy. These veterans deserve a second chance. The homeless veterans reintegration projects are giving them this chance and should receive our enthusiastic support.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I ask unanimous consent that I may speak as in morning business for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE *SEAWOLF* PROGRAM

Mr. DODD. Mr. President, I want to thank the distinguished Senator from Hawaii [Mr. INOUYE] for his recent remarks on the floor of the Senate regarding the *Seawolf* program and the proposed rescission of that program by the President and the Pentagon.

Today, the full Appropriations Committee voted out a rescission package,

which does not include the second and third *Seawolf*. That is largely due to the leadership of the Senator from Hawaii, who is chairman of the Defense Appropriations Subcommittee, and I might say, as well, members of that committee on both sides of the aisle, who have the chance to hear the arguments and to discuss the importance of that program.

Mr. President, I will make a longer statement next week regarding this program but I did not want to miss the opportunity this afternoon to commend the Appropriations Committee for their decision.

Clearly, as the Senator from Hawaii has pointed out, if there were a case where the dollars were to be saved as the President had suggested then this would be a difficult call, and I suspect most of my colleagues here might support that proposal, but as we know how with the Pentagon's numbers changing by the hour the cost of terminating that program could vastly exceed the cost of completing the program and maintaining our industrial base which is a critical issue as we try to maintain our technology in this vitally important area not only for the remainder of this decade but into the next century.

The Senator from Hawaii laid out those arguments and the numbers in detail, and I will expand on those comments later next week. I wanted to thank him and his staff, Richard Collins, and others, for doing the number crunching, and the hard work, and asking the tougher questions to determine whether or not this program deserved the support of this institution and the American public. They have made that case not on the basis of any other reasons than they felt this was in the best interest of our country, and I believe that to be the case.

It is always, I suppose, a little more difficult if you are a representative from the State where the affected program is involved, and I realize that there is always a degree of suspicion about a Senator from any State arguing on behalf of a product that is made in that State.

I realize and appreciate the willingness of my colleagues to listen to those arguments, but when the Senator from Hawaii who is as far away from my State as you can geographically be makes the case as the chairman of the Defense Appropriations Subcommittee with no ax to grind whatsoever in this particular matter other than trying to do what he thinks is in the best interest of maintaining that industrial base and maintaining that critical force, then I think the arguments carry that much more weight.

So, again I thank my colleagues on the committee. I particularly thank Senator INOUYE, and look forward to the debate next week when the rescission package comes to the floor of the Senate.

Again I thank my distinguished colleague from New Jersey for his generosity in allowing me to speak these few moments.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

INJUSTICE IN LOS ANGELES

Mr. LAUTENBERG. Mr. President, I want to talk about something that stunned the Nation in the last 24 hours, the decision by the jury in Simi Valley, CA. My colleague, Senator BRADLEY, made remarks on the floor that eloquently discussed the injustice that seems to have been done.

We know that there was a jury of peers that made the decision. We were not there to listen to all of the arguments. We were not there to see how the defense presented the evidence. And so we don't know exactly how the jury reached its conclusion. But most Americans have repeatedly viewed the shocking and horrifying tape of the assault on Rodney King that fateful day more than a year ago.

We do not know what he might have done to threaten or frighten the police officers. But one thing was obvious. This man was on the ground. He was being brutally beaten. He obviously had seen subdued, and yet the blows continued on and on.

Again, not having been there to hear the defense present its case, we cannot say what controlled the jury's decision. But no one who saw those tapes, who witnessed that beating through the video pictures, could be other than shocked and horrified by the outcome.

It is my understanding that the Attorney General will be reviewing the case. I hope so. Because the message that unfortunately emerges from this trial loudly and clearly is that sometimes justice is administered based not on the law, but on who you are.

I know many people here in the Senate have been stunned by the trial's outcome. When I told some about the verdict, people who believe that fair justice, equal justice, is at the core of our democratic society, you could see their back stiffen and their head go erect. There is a sense of shock, disbelief, and, frankly despair at what looks like a total miscarriage of justice.

Mr. President, it is worth noting that our system does work, most of the time. But, like any system, occasionally it goes awry. And certainly, from all appearances this seems to be one such time, based on the video tape, the cynical, sarcastic jokes and remarks of the policemen afterward, and the testimony of one policeman who agreed that the force used was excessive. Clearly, Mr. President, something went wrong, very wrong. And the whole Nation must reflect long and hard about that.

AVIATION NOISE IMPROVEMENT AND CAPACITY ACT

Mr. LAUTENBERG. Mr. President, I want to talk about a statement that Senator FORD from Kentucky made earlier today. Senator FORD made several statements relating to a matter of great importance to me and to many residents of the State of New Jersey and the New York-New Jersey metropolitan area.

He spoke specifically about the plans of the Port Authority of New York and New Jersey. That is the agency that runs the principal commercial airports in our region: John F. Kennedy International Airport, LaGuardia Airport, and Newark International Airport. It also owns Teterboro Airport, one of the largest generation aviation airports in the country.

The port authority wants to accelerate the pace of noise reduction in our area. New Jersey is the most densely populated State in the Union. We pack in more people per square inch of property than does any other State. We fight very hard for a decent quality of life as a result of that crowding and one of the most unbearable things is noise as aircraft take off and land at our airports.

I happen to live in a flight path to Newark Airport. I can tell you at night I hear noises that remind me of noises that I heard when I was a young man in World War II listening to the buzz bombs overhead. They would come screaming in at targets. And to me this is reminiscent of that volume and that type of noise.

It is an outrageous condition to have to live under when there is, in fact, something that can be done about it.

The port authority has attempted to alleviate the noise problem for our citizens by proposing a plan to phaseout stage 2 aircraft at a faster rate than the national timetable. This is a program that says we should get to stage 3 aircraft, whose engines are considerably quieter, more efficient than the existing ones. But change is being resisted because airlines have an investment in aircraft that still has the stage 2 type engine.

What we are saying is use them in other parts of the country, please, where there may be more room, and less noise impact but take them out of our area as quickly as possible.

When we were working on the 1990 aviation reauthorization, I worked to ensure that local airport operators retained the authority to impose restrictions on noise. In a colloquy on the Senate floor at that time that Senator FORD concurred in, we had a very specific review of the ability of airports to restrict noise.

I said, and Mr. FORD ultimately agreed, that "under this proposal an airport operator would be allowed to impose restrictions on the stage 2 operations without the approval of the

FAA, and without risking the loss of AIP"—Airport Improvement Program money. "This is particularly important as reducing the number of stage 2 plans serving Newark International is a critical part of our efforts to reduce noise in New Jersey."

Mr. FORD responded to the list of points that I made. He said "The Senator"—referring to my comments—"is correct on each of these points. He has made the case for his constituents, and I believe that we have taken the steps in this legislation to protect the efforts that he has been making to reduce aviation noise in New Jersey."

Why then, Mr. President—frankly, without announcement, which disappointed me—was a statement made on the floor of the U.S. Senate this afternoon that contradicts that position?

With regard to phasing out stage 2 aircraft, the 1990 act did not impose new restrictions on the rights of local airport operators, with the exception of certain procedural requirements. This is attested to in an April 1, 1991 letter to me from then-FAA Administrator Busey—and I will quote from the letter. He writes to me as chairman of the Transportation and Related Agencies Subcommittee of Senate Appropriations.

"We also agree,"—in reference to an earlier paragraph—"except for specific responsibilities imposed by airport proprietors by the act, that legislation did not change previous substantive legal requirements affecting the authority of airport proprietors to limit stage 2 aircraft operations to control noise. This is consistent"—he goes on to say—"with legislative history set forth"—in a letter I sent to him. He goes on.

"My letter of January 15, 1991, to the New Jersey and New York leadership did not question this aspect of the act, nor did it address the limitations that would apply to the Port Authority of New York and New Jersey as airport proprietor if it proposes to limit stage 2 operations."

Mr. President, I ask unanimous consent that the full letter sent to me dated April 1, 1991, from Administrator Busey be printed in the RECORD.

I also ask unanimous consent to have printed a letter to Mr. Busey dated January 30, 1991 and a letter from me to Andrew Card, Jr., dated March 19, 1992 printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FEDERAL AVIATION ADMINISTRATION,
Washington, DC, April 1, 1991.

Hon. FRANK R. LAUTENBERG,
Chairman, Subcommittee on Transportation and Related Agencies, Committee on Senate Appropriations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter, cosigned by members of the New Jersey Delegation, concerning the effect of the Airport Noise and Capacity Act of 1990 (Act) on proposed New Jersey legislation. We are in complete agreement with your concern that the new Act be applied to afford meaningful noise relief to communities affected by aircraft noise.

We also agree that, except for the specific responsibilities imposed on airport proprietors by the Act, that legislation did not change previous substantive legal requirements affecting the authority of airport proprietors to limit Stage 2 aircraft operations to control noise. This is consistent with the legislative history set forth in your letter. My letter of January 15, 1991, to the New Jersey and New York leadership did not question this aspect of the Act, nor did it address the limitations that would apply to the Port Authority of New York and New Jersey, as airport proprietor, if it proposes to limit Stage 2 operations.

Instead, my letter stressed the lack of authority in the State of New Jersey to control airport access by regulating the Port Authority. Bill No. 4386 asserts the power of the State to ban aircraft operations at airports owned by the Port Authority. The courts have made it clear, however, that the airport owner is the only non-Federal authority that may control airport access for noise purposes. The courts have stated that the otherwise total Federal preemption of airport access matters—including aircraft noise abatement—is essential to the maintenance of a unified and coordinated national air transportation system.

It is well-settled that the pervasive nature of Federal regulation in the field of air commerce, the intensity of the national interest in this regulation, and the nature of air commerce itself require the conclusion that State and local regulation in air commerce has been preempted. Courts have created the limited proprietary exception to total Federal preemption because airport authorities, as the owners of airports, remain liable for noise damages. Even though New Jersey has important responsibilities with respect to its relationship to the Authority, that does not confer airport proprietorship status on the State itself with respect to aircraft noise liability.

Action by the State to restrict aircraft access to the Port Authority's airports by regulating the Port Authority would therefore be inconsistent with the well-established doctrine of Federal preemption in the field of aircraft noise regulation. This is true even where a State attempts to control aircraft operations through regulation of an airport proprietor that is a political subdivision of the State. Only the Port Authority itself is the proprietor under the controlling case law.

This critical distinction between the authority of airport proprietors and that of other non-Federal authorities is a fundamental aspect of "existing law with respect to airport noise or access restrictions by local government," and was not changed by the Airport Act (Section 9304(h)(I)).

The bill also ignores long-established duties resting on the Port Authority, as proprietor, to determine the need for, and the impacts of, any denial of access to air commerce. The discharge of these duties requires that the Port Authority have the discretion to establish the necessary basis for proposed aircraft noise regulations, and justify them in accordance with standards recognized by the courts. With respect to the reasonableness of the Port Authority's regulations, it is important that they be based on substantial evidence demonstrating that the proposed use would not jeopardize the health, safety, or welfare of the public. The bill shortcuts this entire process of justification. In addition, by mandating specific regulation of Stage 2 aircraft, it mandates the decision to ban such aircraft before the Port Authority could comply with its duties under the Act, including the extensive public notice and review process. This result would be inconsistent with the express provisions of the Act.

The Port Authority is also required to consider the international implications of airport use restrictions, since equal, nondiscriminatory treatment of domestic and foreign air commerce is an important aspect of the complex network of international air transportation agreements of which the United States is a major beneficiary. Bill No. 4386 removes all discretion from the Port Authority to reserve decision concerning airport access control while international implications are considered.

Finally, the bill ties the hands of the Port Authority with respect to its continuing compliance with its airport development grant agreements, which requires that its airports be open to air commerce under fair, reasonable, and nondiscriminatory conditions. These obligations are imposed pursuant to applicable airport grant legislation and are an important aspect of the limitations on an airport sponsor's authority to control airport access.

In summary, I believe that the concerns expressed in my letter regarding any attempt by the State of New Jersey to deny access to John F. Kennedy International Airport, Newark International Airport, and LaGuardia Airport for noise purposes, by regulating the Port Authority, are consistent with the Act and properly reflect the controlling case law.

Identical letters have been sent to the other signatories of your letter.

Sincerely,

JAMES B. BUSEY,
Administrator.

U.S. SENATE,
Washington, DC, January 30, 1991.

Hon. JAMES B. BUSEY,
Administrator, Federal Aviation Administration, Washington, DC

DEAR ADMINISTRATOR BUSEY: We are writing to express our concerns about your apparent interpretation of the Airport Noise and 'Capacity Act of 1990 ("Airport Noise Act").

Based on our review of statements you made in a recent letter to New Jersey State Senator Walter Rand, we believe that you have misconstrued the law, which Congress drafted with the specific intention of permitting local or State initiatives to combat airport noise.

While the Airport Noise Act mandates that the FAA phase out Stage 2 aircraft by 2003, it specifically permits local authorities to act sooner. The law protected local initiatives already underway as of the date of enactment, and it permitted new Stage 2 initiatives, subject to procedural requirements. These include the provision of 180 days notice for public comment, and the consideration and preparation of an impact statement.

As members of the New Jersey Congressional delegation, we were intensely interested in assuring that contemplated noise initiatives would be permitted under the legislation. Our constituents had this noise thrust upon them by the FAA's alteration of air traffic routes. They have sought relief from the FAA and at the local level. We were committed to assuring their ability to get relief under the terms of the noise legislation before us.

The clear meaning and intent of the legislation was discussed in debate between senator Lautenberg, chairman of the Senate Transportation Appropriations Subcommittee, and Senator Wendell Ford, chairman of the Senate Aviation Subcommittee and sponsor of the legislation. In this discussion, Senator Ford stated that the conference agreement on the legislation did not restrict the ability of local airport operators to regulate the use of Stage 2 aircraft at their facilities. The debate included, in part, the following colloquy:

"Senator LAUTENBERG. With regard to the modified proposal, I ask the Senator from Kentucky if he would confirm these points to be true: First, this agreement would not affect noise control programs now in effect, such as those that have been adopted by the Port Authority of New York and New Jersey. Second, that, under this proposal, an airport operator would be allowed to impose restrictions on stage 2 operations, without the approval of the FAA, and without risking the loss of AIP money. This is particularly important, as reducing the number of stage 2 planes serving Newark International is a critical part of our efforts to reduce noise in New Jersey. Third, that the FAA or airport operator would not be prevented from working our operational changes, such as random vectoring, variation in runway use, or altitude requirements, that are designed to reduce noise impacts. And, an airport operator could impose restrictions on the use of stage 3 planes, by barring certain types, for example, or limiting them to certain hours of operation, subject to review and approval by the FAA.

"Senator FORD. The Senator is correct on each of those points . . . we have taken the steps in this legislation to protect the efforts that he has been making to reduce aviation noise in New Jersey." (October 27, 1990 CONGRESSIONAL RECORD, page S17543)

The continuing authority of local airport operators to regulate Stage 2 operations was further clarified in a November 28, 1990 letter from Congressman James Oberstar, chairman of the House Aviation Subcommittee, and the lead negotiator for the House of Representatives in finalizing this legislation. In this correspondence to Port Authority of New York and New Jersey chairman Richard Leone, Congressman Oberstar made two statements of particular interest: first, that,

". . . I must note that this Stage 2 phaseout is a national standard, and in no way infringes upon local airports' ability to set even more stringent phaseout standards if they wish."

Second, he wrote that,

"It should also be noted that this new approval process does not restrict a local airport's rights and authority to regulate the noisier Stage 2 aircraft, so long as any airport gives 180 days advance notice of future restriction. Nor does the provision call into question any Stage 2 or Stage 3 restriction currently in effect. The only restrictions subjected to the new DOT approval process are new local restrictions on Stage 3 aircraft."

In spite of clear Congressional intent, your letter insinuates that restrictions on Stage 2 aircraft operations at our region's airports would be contrary to Federal law, and even threatens the potential loss of Federal funds if such measures are enacted.

This is of concern not only because of the impact that such a position would have on programs in place or under consideration for Port Authority airports, but also in light of the FAA's development of regulations to implement the Airport Noise Act. Those regulations could govern Federal policy on noise control for years to come. If the FAA persists in its mistaken positions as reflected in your letter, the regulations could have impacts on local communities never intended by the Congress.

For some time, we have been working with the Port Authority to see tougher, more effective noise control measures implemented. Enactment of the Airport Noise and Capacity Act did not preclude such efforts, and any assertion to the contrary is incorrect and counterproductive.

We strongly urge you to reconsider your position, and clarify any misunderstandings that may exist as a result of your letter. We further request that you work to see that regulations being developing by the FAA accurately reflect Congressional intent, and do not restrict the ability of local airport operators to impose restrictions on Stage 2 operations.

Frank R. Lautenberg, Chairman, Senate Appropriations, Subcommittee on Transportation & Related Agencies; Robert A. Roe, Chairman, House Committee on Public Works & Transportation; Bill Bradley; Dick Zimmer; Frank Pallone, Jr., Robert Torricelli; Dean Gallo; Frank J. Guarini; Marge Roukema; Robert E. Andrews; Matt Rinaldo; Chris Smith; Bernard J. Dwyer.

U.S. SENATE,
Washington, DC, March 19, 1992.

Hon. ANDREW H. CARD, Jr.,
Secretary, Department of Transportation, Washington, DC.

DEAR SECRETARY CARD: I am writing to express my disappointment and outrage at the Federal Aviation Administration's attempt to coerce the Port Authority of New York and New Jersey to abandon its attempts to provide relief to noise-impact residents of New Jersey.

In a recent letter to the Port Authority, Assistant FAA Administrator Michael C. Moffet threatened that implementation of a staff recommendation for noise restrictions by the Port Authority could jeopardize approval of the Port Authority's application for passenger facility charges. This proposed linkage is inappropriate, and tantamount to blackmail. I will strongly oppose any efforts by the FAA to carry through with it.

As you know, some controversy has arisen over the authority of airport operators to impose noise restrictions more aggressive than the Federal program. However, I believe that the legislative history surrounding enactment of the Airport Safety and Capacity Expansion Act of 1990 is clear on this point: airport operators retained their rights to impose such restrictions. Certainly, the Act requires that certain procedural requirements be met; but, no new limitations on their authority were imposed by the Act.

Since the FAA implemented the Expanded East Coast Plan in 1987, I have sought to provide relief to those citizens of New Jersey who are impacted by aircraft noise. By the FAA's own estimates, fully one-third of the noise impacted population of the United States resides in the New Jersey-New York region. In your statements at your February 19, 1992 appearance before the Committee on Environment and Public Works, you indicated that you are sympathetic with the concerns of those affected by noise, and that you would not support actions to unreasonably restrict the ability of an airport operator to provide relief from noise.

As a matter of policy, it is unacceptable to link the Port Authority's passenger facility charge application with its plans for noise mitigation, and, as chairman of the Transportation Appropriations Subcommittee, I will fight any such efforts.

Sincerely,

FRANK R. LAUTENBERG,
Chairman, Subcommittee on Transportation and Related Agencies.

Mr. LAUTENBERG. Mr. President, we want to work with Senator FORD as he approaches the reauthorization of the aviation bill, and I agree with him on many points. Together, we have tried to depoliticize the FAA, try to make it more active in its mission, to provide funds for building a healthier, more technologically up-to-date aviation system. But to say that we cannot use our PFC's—passenger facility charges—to improve our airport structure without sacrificing our right to limit noise is unfair. It misinterprets the statute.

There is a debate about what the 1990 act really meant. Chairman OBERSTAR, the chairman of the House Aviation subcommittee, negotiated the agreement, shares my view that local airport operators retain control over efforts to limit noise. He also supports the Port Authority of New York-New Jersey's PFC application.

Of course, Senator FORD stated clearly that he disagrees. It is a fight that may ultimately find its way to the courts.

I will continue to work to see that new legislative hurdles are not thrown in the way of our efforts to control the noise. And I will continue to press the FAA to act.

Mr. President, aircraft noise is a difficult and unpleasant condition. We in New Jersey have been fighting for relief for years and I will continue to work to see that local airport operators, like the Port Authority of New York and New Jersey, retain their rights to control noise and protect our citizens.

Senator FORD in his comments today said that the colloquy that we had referred to restrictions, not to an early phaseout.

But I do not know what restrictions mean. Do restrictions mean that while you cannot phase out the stage 2 aircraft, maybe you can restrict them from flying any time from 12 noon or until 11 the next morning, giving them a window of 1 hour a day in which to operate?

I disagree sharply with Senator FORD. He uses as examples what happened, in Boon County, KY, when new runways were introduced. He says, "Thousands of Boone County citizens now experience noise from this new runway."

I do not know Boone County specifically, but I would venture to say there is a lot more room in Boone County than there is in the New Jersey-New York area. One cannot escape the over-

burdening noise factor that we run into, and I am going to do whatever I can, including to use the opportunity in the appropriations bills, to make sure that no airport is unfairly penalized as it tries to reduce noise.

I have tried to be very accommodating with my counterpart in the authorizing subcommittee. And we have worked together successfully in the past. I hope we will be able to continue to do so when it comes to New Jersey.

But I want the record to reflect that this Senator from New Jersey believes that the Port Authority has the right to demand an earlier phaseout of stage 2 equipment and not risk its PFC's. This Senator believes that the residents in my area, the New Jersey-New York metropolitan region, have a right to a quieter, saner lifestyle—not to have to hang on to the window shades every time an airplane passes by.

There are other ways to solve the problems. Perhaps we can get use of more of the military airspace that is off of our coast.

Maybe we can use the water approaches more readily. The FAA has to find other ways to do it and I will hold them to that responsibility. We will not be stymied from alleviating the noise problem that exists in our community. I thank the Chair for his indulgence.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CRS EVALUATION OF THE GAO LINE-ITEM VETO REPORT

Mr. BYRD. Mr. President, last January, the General Accounting Office issued an unsolicited report entitled, "Line Item Veto—Estimating Potential Savings," which made exaggerated claims of the budgetary savings that would have occurred if President Reagan had had line-item veto authority for fiscal years 1984 through 1989. On March 17, I asked the Congressional Research Service to evaluate the GAO report, and on March 23, the CRS responded with a detailed analysis.

The Congressional Research Service found such serious flaws in the GAO report as to invalidate its results. In summary, CRS said:

> We believe that a more realistic and more useful estimate of savings would be $2–3 billion over a six-year period and probably less. The following considerations lead us to the more modest figure for savings from an item veto. The report reaches the $70 billion figure by making a series of assumptions that inflate the estimated savings: (1) accepting SAPs prepared early in the process as a reliable guide to what happens later when Presidents receive appropriations bills, (2) giving Congress no credit for deleting items through the alternative rescission process, (3) double-counting program terminations, (4) assuming that a one-time "saving" from an item veto is not used elsewhere for another program or activity, (5) ignoring presidential use of item-veto authority to promote executive spending initiatives, (6) giving inadequate attention to the modest record of item-veto savings at the state level, and (7) assuming that Congress never overrides an item veto (pages 4 and 7).

Estimated line-item veto savings of $2–$3 billion over 6 years works out to between $333 and $500 million a year. Such savings would amount to between two and three one-hundredths of 1 percent of Federal outlays.

The most fundamental flaw, among the seven found by CRS, was the use of selected OMB Statements of Administration Policy [SAP's] as the basis for estimating potential line-item veto savings. GAO chose SAP's reacting to House and Senate Appropriations Committee actions, and not later SAP's sent just prior to House-Senate conferences, because they maximized the potential savings. As GAO noted, those later SAP's are usually much smaller than the earlier ones. CRS found that:

> To be precise, SAP-based estimates overstate savings by a factor of 23 for 1988. If that ratio is applied to the six-year period, likely savings drop from $70.6 billion to $3.03 billion.

Curiously, the report "judged that SAPs are a reasonable indicator of the maximum savings that might have been achieved if a President had used line item veto authority in the period we studied" (p.9). From its own analysis, SAPs appear to be an unreasonable indicator, unless they are used solely for the purpose of estimating "maximum" savings rather than likely savings. Also on page 9, the report states that "it is impossible to determine conclusively whether or not the SAP-based estimates developed for this report accurately reflect the way a President who had actually had line item veto authority in the period 1984 through 1989 would have used that authority." If the analysis is that difficult to prove conclusively, why release a report that gives readers the impression that $70 billion could have been saved over a six-year period?

Why indeed, Mr. President? CRS finds that GAO estimate to be unfounded in the extreme, so I caution those who may read the GAO study to avoid leaping to the same conclusions as GAO has.

I ask unanimous consent that my letter and the CRS analysis be entered into the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL RESEARCH SERVICE,
Washington, DC, March 23, 1992.

To: Senator Robert C. Byrd, Chairman, Senate Committee on Appropriations.

From: Louis Fisher, Senior Specialist in Separation of Powers.

Subject: GAO's report on "Line Item Veto" (January 1992).

This memorandum responds to your letter of March 17, requesting us to evaluate a General Accounting Office report entitled "Line Item Veto—Estimating Potential Savings" (January 1992).

The report estimates that a presidential line item veto, applied to fiscal years 1984 through 1989, could have saved $70 billion over the 6-year period. The report's methodology rests primarily on an examination of Statements of Administration Policy (SAPs) that OMB provides to Congress, stating administration objections to specific items in appropriations bills being considered.

As indicated in the title and explained in the text, the report was intended to discover the maximum possible savings that could be achieved through an item veto. As noted on page 3: "The objectives of this study were to estimate the maximum savings likely . . . ." And on page 14: "In all cases, we tried to give the benefit of the doubt to the President; that is, we used the broadest possible interpretation of SAP items to show the maximum possible savings estimates."

We believe that a more realistic and more useful estimate of savings would be $2–3 billion over the six-year period and probably less. The following considerations lead us to the more modest figure for savings from an item veto. The report reaches the $70 billion figure by making a series of assumptions that inflate the estimated savings: (1) accepting SAPs prepared early in the process as a reliable guide to what happens later when Presidents receive appropriations bills, (2) giving Congress no credit for deleting items through the alternative rescission process, (3) double-counting program terminations, (4) assuming that a one-time "saving" from an item veto is not used elsewhere for another program or activity, (5) ignoring presidential use of item-veto authority to promote executive spending initiatives, (6) giving inadequate attention to the modest record of item-veto savings at the state level, and (7) assuming that Congress never overrides an item veto (pages 4 and 7).

1. Use of SAPs. The $70 billion estimate results primarily from the way the report relies on SAPs. The report assumes that the President "would have used line item authority successfully to reject each and every specific item to which objections were raised in the SAPs" (p. 4). The report selected a SAP reacting to a House appropriations action and a SAP reacting to a Senate appropriations action for each of the appropriations bills. However, the report did not use SAPs "sent just prior to House-Senate conferences" (p. 14). Had it done so, estimated savings would have been less. As the report explains, SAPs sent just prior to House-Senate conferences are not "as inclusive as SAPs sent earlier in the process. The administration sometimes 'gives up' on objectionable items that will not be affected by conference action and dwells only on those which can still be altered (so-called 'conferenceable' items)" (p. 14). The selection of early SAPs inflates potential savings from an item veto.

SAPs are not a reliable guide to what Presidents might item veto. As appropriations bills move through the legislative process, the President's position on specific items shifts in many cases from a firm No to an accommodation. In the end, what counts are not the SAPs produced when a bill clears a committee or passes one of the chambers. The crucial point is the President's position when a bill is in conference. At that stage, the administration hangs tough on some items and acquiesces on others. As the re-

port later states, "the SAP-based estimates might have overstated the potential savings from a presidential line item veto. For example, a President might have chosen not to exercise the veto on all items to which objections were raised in the SAPs" (p. 8).

2. Theoretical vs. Realistic Savings. The report estimates savings that "might have occurred" or spending that "could have been reduced" (p. 1). This choice of "might" and "could" tilts the analysis toward the maximum highest number. Available data clearly indicates that a $70 billion saving over a six-year period is unrealistic. The report acknowledges that other administration documents reveal that an analysis based on SAPs "may overstate the savings that would have occurred" (p. 2). There is a substantial difference in moving from might/could (theoretically possible) to would (likely to occur).

The report notes that an OMB report in 1988 "indicated that the President would have vetoed much smaller amounts than those the SAPs identified as objectionable for that year" (p. 2). The OMB report is a valuable guide to what Presidents are likely to do with item-veto authority. The SAP-based estimate of line item veto savings for 1988 is $12.6 billion in budget authority. The OMB report identified only $540 million in potential savings from item vetoes (p. 9). The GAO study admits that the SAP-based estimates "may overstate" the potential savings from a line item veto (p. 9).

To be precise, SAP-based estimates overstate savings by a factor of 23 for 1988. If that ratio is applied to the six-year period, likely savings drop from $70.6 billion to $3.03 billion.

Curiously, the report "judged that the SAPs are a reasonable indicator of the maximum savings that might have been achieved if a President had used line item veto authority in the period we studied" (p. 9). From its own analysis, SAPs appear to be an *unreasonable* indicator, unless they are used solely for the purpose of estimating "maximum" savings rather than likely savings. Also on page 9, the report states that "it is impossible to determine conclusively whether or not the SAP-based estimates developed for this report accurately reflect the way a President who had actually had line item veto authority in the period 1984 through 1989 would have used that authority." If the analysis is that difficult to prove conclusively, why release a report that gives readers the impression that $70 billion could have been saved over a six-year period?

3. Double-counting (rescissions). Even a figure of $3 billion over the six-year period probably overstates what might have been saved through an item veto. The report does not deduct from its $70 billion estimate the savings that result from the President's current authority to rescind appropriations. For the years in question, President Reagan asked Congress to rescind $18.6 billion from fiscal years 1984 through 1989. Congress rescinded $0.4 billion. However, over that same period of time, Congress initiated and enacted 144 rescission actions totaling $24 billion. It can be assumed that some of the items rescinded appeared earlier in SAPs. The report therefore credits the item veto for some savings that were achieved by existing rescission procedures.

The potential of rescission authority for deleting appropriations items is borne out by the first three years of the Reagan administration. From fiscal 1981 through fiscal 1983, President Reagan proposed $24.8 billion in rescissions and Congress approved $16.1 billion. In addition to rescissions proposed by the President, Congress has initiated and enacted a total of $36.2 billion in rescissions since the Budget Act of 1974.

4. Double-counting (Program Terminations). The report estimates that 71 federal programs would have been terminated with an item veto, including the Economic Development Administration, Legal Services Corporation, and Amtrak. Those programs were "repeatedly proposed" for termination in SAPs during that period (page 8). To the extent that programs were recommended for termination in more than one of the six years of SAPs, did the report rely on double-counting?

If the President had item-vetoed Amtrak in fiscal 1984 and Congress failed to override, it might be proper to credit the President with $716.4 million in savings for that year. But is it proper to credit the President with savings for the next five years (fiscal 1985 through fiscal 1989)? Suppose the President recommended no funds for Amtrak in his fiscal 1985 budget, Congress inserted the money against his wishes, the President item vetoed that amount and Congress failed to override. Again the President is credited with savings for fiscal 1985. Will that scenario be repeated for the next four years? It is reasonable to assume that Congress will always reintroduce funds for programs that had been terminated? That assumption seems unreasonable. Operating under that assumption, a President receives credit for a savings in one year, no matter how long ago, and receives perpetual credit thereafter. According to that scenario, a President could terminate a program in 1812 and receive credit every year after that.

It is not even clear that the President should be credited with $716.4 million in savings for the first year. In terminating an agency like Amtrak, are there no termination costs for outstanding contracts and severance pay for agency personnel? Can those costs be absorbed by the previous appropriation or will supplemental appropriations be needed for the phase-out? In case of an agency like the Economic Development Administration, if it is legally impossible to fire all of the employees, will other agencies be required to absorb these people? Because of these considerations, net savings will be less than the report indicates.

5. Assuming that "Savings" are Permanent. The report assumes that each presidential saving, obtained through the item veto, is permanent and will remain untouched by other governmental pressures. That assumption is contradicted by the experience of the budget process. Under Section 302(b) of the Budget Act of 1974, Congress allocates ceilings to the appropriations subcommittees. It is well-known that if the subcommittees report a bill substantially under the allocation, it invites amendments on the floor that bring the aggregate back toward the ceiling. Thus, a "savings" by the subcommittee is quite temporary and is unlikely to last.

Why assume that "savings" from a presidential item veto will be any more permanent? It is more likely that a successful item veto (say of Amtrak in the above example) will unleash spending proposals by the executive and legislative branches. The savings might be transitory, quickly neutralized by a spending initiative in a forthcoming supplemental appropriations bill.

6. Presidential Spending Initiatives. The figure of $3 billion also overstates savings because the study assumes that Presidents are interested only in reduced federal expenditures. Yet Presidents have their own programs and activities that they advocate, and the availability of an item veto could be an important weapon in coercing legislators to support White House spending priorities. Armed with an item veto, a President could tell legislators that a project or program in their district or state will be item-vetoed unless they support the President's spending goals. If the legislators and the President reach an amicable agreement, legislative add-ons would be preserved along with presidential add-ons. Since these interbranch conversations would likely remain confidential, the public would never know that the item veto can increase federal spending. A balanced assessment of the item veto must take into account this dynamic in executive-legislative relations.

7. Studies at the State Level. Appendix III of the report summarizes the studies at the state level that estimate spending reductions from an item veto. The report states that this literature "exhibits no apparent consensus" on the budgetary impact of an item veto, and yet the consensus in Appendix III seems clearly that the item veto yields no fiscal restraint. Of the eight studies summarized, *seven* conclude that the item veto is not a tool for fiscal restraint. Instead, it is used primarily to advance partisan interests and executive spending programs. The only study that is optimistic about potential savings from an item veto was coauthored by James C. Miller III, who served as OMB Director in the Reagan administration. These studies should have cautioned against announcing a $70 billion federal saving over a six-year period.

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, March 17, 1992.

Mr. JOSEPH ROSS,
Director, Congressional Research Service, the Library of Congress, Washington, DC.

DEAR MR. ROSS: This is to request that the Congressional Research Service provide an evaluation of a recent General Accounting Office report entitled "Line Item Veto—Estimating Potential Savings". I have enclosed a copy of this report and a subsequent letter that I sent to the General Accounting Office expressing my concerns about the report, to which I have not yet received a reply.

If you have any questions regarding this request, please do not hesitate to contact me or Jim English, Staff Director of the Appropriations Committee, at 224-7200.

With kind regards, I am

Sincerely,

ROBERT C. BYRD,
Chairman.

STATEMENT ON CBO'S LETTER RESPONDING TO SENATOR BYRD'S CONCERNS ABOUT THE CBO STUDY ON REDUCED DEFENSE SPENDING

Mr. BYRD. Mr. President, last February, the Congressional Budget Office released a study, entitled "The Economic Effects of Reduced Defense Spending," which omitted several important points. I raised these points with the CBO Director, Dr. Robert D. Reischauer, in a letter on March 9. On March 17, Dr. Reischauer responded to my concerns promptly and forthrightly, for which I commend him.

The study estimated the economic impact of two hypothetical defense

spending reductions. It concluded that real GNP would rise permanently by the end of the next decade by about $50 billion a year, in 1992 dollars, if defense spending were cut 20 percent by fiscal 1997. However, in the short run, it estimated the loss of 600,000 defense related jobs and described worst case scenarios for three selected communities heavily dependent upon defense industry.

My letter of March 9 listed several concerns. First, the study ignored the expressed intent of the Budget Enforcement Act of 1990 by assuming future defense spending reductions will be used for deficit reduction. The act allows defense spending reductions in fiscal year 1994 and fiscal year 1995 to be used for domestic discretionary spending, as long as the overall spending caps are met.

Second, the study lumps together defense spending reductions enacted in fiscal years 1991 and 1992 with the reductions under consideration now for fiscal years 1993 through 1997. This gives the appearance of larger economic impact than would result from the reductions in fiscal years 1993 through 1997 alone.

Third, the study ignores already enacted programs which will ease the economic impact of defense spending reductions. As noted in a February 6, 1992, Congressional Research Service Issue Brief, "Defense Budget Cuts and the Economy," economic adjustment assistance programs already in existence under present law include: over half a billion dollars each year set aside specifically to help military and defense workers through the Economic Dislocation and Worker Adjustment Assistance [EDWAA] Program; job training under title III of the Job Training Partnership Act; unemployment insurance; and support for impacted communities under title IX of the Public Works and Economic Development Act of 1965, including $50 million appropriated under the Defense Authorization and Appropriations Acts of 1991.

Fourth, the study could better explain that most defense workers threatened with job loss will switch to civilian production, retrain, or retire without entering the ranks of the long-term unemployed.

Fifth, and finally, the study takes a worst case look at defense spending reductions without considering a best case.

In his response to my concerns, Dr. Reischauer agreed that, even though the CBO study assumed defense reductions would be used for deficit reduction, defense spending reductions may be used for domestic discretionary spending in fiscal year 1994 and fiscal year 1995. In fact, he observed that the defense savings contemplated in the CBO study "would be required simply to avoid real reductions in nondefense discretionary spending." He added, "In the long run, increased spending on carefully chosen public investment projects would work to increase the potential growth of the economy in just the same way as a reduction in the Federal deficit." " * * * on average, public investments in the past do seem to have been as worthwhile as private investments. * * * "

Dr. Reischauer also said that CBO "should have acknowledged existing Federal programs aimed at mitigating the effects of defense cutbacks and provided more discussion of other actions that could be taken to mitigate the effects of defense spending cutbacks." He reiterated the study's finding that "growth in nondefense jobs would eventually offset the adverse effects of defense cutbacks." Finally, Dr. Reischauer noted that "the study clearly acknowledged that the calculations reflected a worst-case assessment. * * *"

I thank Dr. Reischauer for his timely response. His letter casts the CBO study in a more balanced light, and I commend it to my colleagues for their consideration.

I ask unanimous consent that this correspondence be entered into the RECORD, so that my colleagues and other interested readers might be better informed about this study.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 17, 1992.

Hon. ROBERT C. BYRD,
Chairman, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Your recent letter noted that several topics of interest and concern to you were omitted from our February 1992 study entitled, "The Economic Effects of Reduced Defense Spending." Overall, I believe the study represented a balanced response to the Minority Leader's request. But, as you suggest, several aspects of the analysis could have been explained more fully.

The study focused on the economic effects associated with cutting defense spending and using the savings to reduce the federal deficit. The peace dividend could, of course, be put to other uses. As you note, under the provisions of the current Budget Enforcement Act [BEA], defense cuts in 1994 and 1995 can be devoted to augmenting nondefense discretionary spending, including spending on public investment, so long as overall limits on discretionary spending are met. Our study discussed the effects of devoting the peace dividend to public investment in general terms, but did not analyze those effects in detail.

We chose this focus because the size of the defense options analyzed in our study seemed consistent with the overall spending limits in the BEA. The BEA requires rather substantial reductions in total federal discretionary spending, particularly in 1994 and 1995. Compared with 1992 levels, the real cuts in defense spending discussed in our study are no larger in 1994 and 1995 than the overall cuts in discretionary spending mandated in the BEA. Thus, the defense savings analyzed in our study would be required simply to avoid real reductions in nondefense discretionary spending. This reasoning was not adequately explained in the study, however, and therefore your criticism is well taken.

Leaving aside issues of compliance with the BEA limits, how would devoting the peace dividend to public investments affect the economy? In the long run, increased spending on carefully-chosen public investment projects would work to increase the potential growth of the economy in just the same way as a reduction in the federal deficit, as we stated in our report (see page 6). In the short run, devoting defense spending cuts to public investment might avoid the temporary GNP loss that is likely to occur if the deficit is cut. Whether this favorable short-run outcome could be achieved depends on how quickly governments could arrange to spend additional funds on investment projects, as those funds are withdrawn from the defense sector.

The favorable long-run effects of investment spending also depend on how carefully projects are chosen. Additions to the already extensive infrastructure of roads, rivers, and airports, for example, are not likely to have such a favorable payoff as those undertaken in the past, and some may not easily pass a careful cost-benefit analysis. And some investments, such as additional federal spending on education, may prove worthwhile in the long run but take a long time to yield benefits. But on average, public investments in the past do seem to have been as worthwhile as private investments, and with sufficient care, could continue to contribute to productivity growth.

You also expressed concern that the estimates in our study included job losses associated with cuts enacted in 1990 and 1991, rather than focusing on the losses associated with the cut that may be enacted for fiscal 1993. At the time the detailed computer simulations used in the study were completed, 1991 was the latest year for which enacted appropriations were available. Thus, we used that year as a base. If you wish, we would be glad to update our macroeconomic analyses for you.

Finally, you note several changes that could have been made in our study that might have resulted in a less gloomy short-run picture. These changes include more mention of federal programs to alleviate the impact of defense cutbacks on local economies, better explanation of the ability of defense workers to switch to civilian jobs, and less emphasis on worst-case analyses of local area impacts.

The best solution for a displaced defense worker is a new job, and our study emphasized that growth in nondefense jobs would eventually offset the adverse effects of defense cutbacks. Indeed, we argued that defense spending cuts could eventually benefit the economy. Thus, I think we did emphasize that displaced defense workers could be absorbed into the civilian sector. As you note, our analyses of local-area effects began with a worst-case assessment. Such an assessment is analytically feasible and suggests the magnitude of the short-term problems facing local communities after a major base closes or defense companies scale back production. But the study clearly acknowledged that the calculations reflected a worst-case assessment and noted factors that might ameliorate short-term problems (see pages 33 and 41). In addition, our study was generally positive about the long-term prospects for recovery in communities affected by defense cuts.

These points notwithstanding, I understand the concern in the Congress about the

job losses associated with defense spending cutbacks, particularly in a period of recession. I accept your point that we should have acknowledged existing federal programs aimed at mitigating the effects of defense cutbacks and provided more discussion of other actions that could be taken to mitigate the effects of defense spending cutbacks.

I appreciate constructive criticism of the sort that you offered. It helps to improve the quality and clarity of our analysis. I hope my response is an adequate explanation of our reasoning and provides some additional information. If I can be of further assistance, please let me know.

Sincerely,

ROBERT D. REISCHAUER,
Director.

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, March 9, 1992.

Dr. ROBERT D. REISCHAUER,
Director, Congressional Budget Office, Washington, DC.

DEAR DR. REISCHAUER: Recently, the Congressional Budget Office published a study, "The Economic Effects of Reduced Defense Spending." Some key areas in which I have interest and concern were omitted from your analysis.

First, the study assumes that all future defense spending reductions will be devoted to deficit reduction. Rather, for fiscal 1994 and 1995, Congress will determine the allocation of defense and other discretionary funds under one spending cap. Beyond fiscal 1995, there is no cap at all. Therefore, your assumption regarding the use of defense reductions is just that—an assumption. That fact makes it impossible for you to predict with any certainty the economic effects. This assumption puts other uses of the defense reduction, like public investment, at a disadvantage in future debate.

Second, the study lumps together defense reductions enacted in 1990 and 1991 with those which may be enacted this year. No analysis is presented of the potential job loss attributable to just the defense reduction which may be enacted for fiscal 1993.

Third, the study makes no mention of the previously enacted federal programs to alleviate the impact of defense reductions upon local economies. Aside from unemployment benefits, dislocated defense workers qualify for job training under Title III of the Job Training Partnership Act (JTPA), as amended by the Omnibus Trade and Competitiveness Act of 1988. The fiscal 1991 Defense Authorization and Appropriations Acts (P.L. 101-510 and P.L. 101-511) provided $150 million of adjustment assistance under JTPA for the Department of Defense. These Acts also provided $50 million specifically for funding Title IX assistance to communities impacted by defense cuts under the Public Works and Economic Development Act of 1965. The Office of Economic Adjustment within the Defense Department and the President's Economic Adjustment Committee will both help minimize economic dislocation from defense reductions.

Fourth, the study could better explain that most threatened defense workers will switch to civilian production, retrain, or retire without entering the ranks of the long-term unemployed. This country experienced far larger defense cutbacks following World War II, Korea, and Vietnam. Much could be learned from the success we had in transforming our economy following those conflicts, but the report makes no mention of this.

Fifth and finally, certain parts of the study "represent a worst case." When analyzing uncertain future economic events in response to defense reductions, the results would be more fairly presented if they were accompanied by a sensitivity analysis which also assumes a "best case." By focusing on three local economies, the study gives the impression of devastating impact despite statements to the effect that the nationwide effect is small.

I would like to have your views on these points as soon as possible.

Sincerely,

ROBERT C. BYRD,
Chairman.

PRESIDENT'S TRADE MISSION IS CREATING JOBS

Mr. DOLE. Mr. President, when President Bush returned from his trade mission to the Pacific this past January, he was greeted by criticism and jokes from Democrats who said the mission had failed and that the President made a mistake in bringing American business leaders along on the mission.

I don't expect these same critics to now issue an apology, but that is certainly what the President deserves.

According to a recent Detroit Free Press article, Chrysler Chairman Lee Iacocca has announced a deal where Chrysler will sell $1.3 billion in engines and transmissions to Mitsubishi Motors Corp.

Chairman Iacocca said—and I quote:

These negotiations were proceeding at a snail's pace until the Tokyo trip. We would still be at the table without a firm prospect for selling large quantities of components * * * if the President and the Department of Commerce had not gotten involved.

Mr. President, I want to congratulate President Bush and the Commerce Department for their vision in the trade area, and I am confident that his trade mission will continue to bring jobs to America—and provide an opportunity for Democrats to eat their words—for many years to come.

Mr. President, I ask for unanimous consent that the entire Detroit Free Press article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Detroit Free Press, Apr. 24, 1992]

IACOCCA SAYS JAPAN TRIP IS PAYING OFF

(By David Everett)

WASHINGTON.—A new Chrysler Corp. deal to sell a whopping $1.2 billion in engines and transmissions to a Japanese car company indicates President George Bush's controversial trade mission to Japan has paid off for the American automobile industry.

Chrysler Chairman Lee Iacocca disclosed details of the engine deal in a letter sent Wednesday to Commerce Secretary Barbara Franklin. The Free Press obtained the letter Thursday.

Thanks in part to the Bush trip, Iacocca said, Mitsubishi Motors Corp. will buy the Chrysler parts, made in North America, for vehicles the Japanese auto maker assembles in Normal, Ill.

"These negotiations were proceeding at a snail's pace until the Tokyo trip," said Iacocca, America's best known critic of Japanese trade policies. "We would still be at the table without a firm prospect for selling large quantities of components . . . if the president and the Department of Commerce had not gotten involved."

Iacocca ended his letter with his customary urging that the government continue to press Japan to change unfair trade tactics.

But his comments about the engine contract show that despite criticism of Bush's trade mission, it may have results for American business.

The evidence: Executives in the U.S. glass and computer industries and some in the auto parts industry say Japanese buyers are approaching them with more than talk. Michigan-based Guardian Industries Corp. recently set up an office in Japan to handle expected new glass business.

David Cole, an automotive industry expert at the University of Michigan, said the Iacocca comments and Chrysler engine deal are examples of a trend that began with the Japan trip. "Yes, we are making progress in penetrating the Japanese market. We have seen evidence of this in terms of dramatic increases of supplier contacts from the Japanese to American companies."

The Chrysler engines and transmissions will be used for vehicles that will replace the Chrysler Laser/Eagle Talon and Mitsubishi Eclipse sports models in the mid-1990s. Those vehicles are now made with Japanese engines at the Mitsubishi Diamond-Star Motors factory in Normal, Ill.

Japanese automakers have been criticized for using Japanese suppliers for the highest-value parts in their U.S. factories, thus hurting U.S. suppliers and American jobs.

Citing business confidentiality, Chrysler executives would not disclose Thursday where the firm would get the engines and transmissions to sell to Mitsubishi. The engines would be purchased over several years.

The No. 3 automaker has engine plants in Detroit and Trenton and a transmission plant in Kokomo, Ind. Chrysler buys transmissions from other sources, including joint venture factories with General Motors Corp. in Muncie, Ind., and Syracuse, N.Y.

It's unclear whether Chrysler would use any Mexican-built parts for the deal with Mitsubishi.

Chrysler and Mitsubishi once ran the Diamond-Star plant as a joint venture, but Chrysler sold its interest to the Japanese firm last year. It was announced then that Mitsubishi might buy American engines, but Iacocca, in his letter Wednesday, said the Japanese firm at first "wanted to maximize sales from Japan."

"But the resulting attention from the trip and the commitment which the Japanese government made to increase North American content at transplant facilities . . . has meant that these high-value components will be sourced from Chrysler," Iacocca said.

Iacocca told Franklin that U.S. officials must continue to press Japan to open its automotive markets. Chrysler has spent $35 million to build right-hand-drive Jeep Cherokees to sell in Japan later this year; the Japanese drive on the left side of the road.

Japan also needs to cut its unfairly high distribution costs for U.S. vehicles, Iacocca said, and the Justice Department should continue to investigate Japan's closed supplier systems.

The U.S.-Japan auto trade deficit will not be reduced unless Bush administration offi-

cials "make the Japanese understand that the president meant what he said when he went to Japan stating that bottom line results are necessary if the relationship between our two nations is to remain firm and positive."

Iacoca's optimism is especially noteworthy considering the trans-Pacific publicity he received for blasting Japan's trade tactics in a January speech to the Detroit Economic Club.

Iacocca and his counterpart chairmen at General Motors and Ford Motor Co. had just returned from the trade mission, and Iacocca's speech was widely seen as a verbal escalation of U.S.-Japan trade friction.

A VIEW FROM TAIPEI BY DR. FREDRICK CHIEN

Mr. AKAKA. Mr. President, Dr. Fredrick Chien was a representative of the Coordination Council of North American Affairs here in Washington from 1983 to 1988. While in Washington, he extended the friendly relationship between Taiwan and the United States. A statesman of keen intelligence, extraordinary tact, and rare administrative ability, he has—together with his charming wife, Julie, who was noted all over Washington for her hospitality—left an indelible mark on Capitol Hill.

After his return to Taiwan, Fred Chien first served in a Cabinet position as Chairman of the Council of Economic Planning and Development. In 1990 he was appointed to the position of Foreign Minister.

In a recent issue of Foreign Affairs Fred Chien has written a concise essay, "A View From Taipei," in which he elucidates Taiwan's role in the new, post-cold war era. He asks other nations not to look at Taiwan through the old stereotypical prism, either as a bulwark of anticommunism or an obstacle to China's unification.

"A View From Taipei" is insightful, timely, and useful. I urge my distinguished colleagues to review this thoughtful article.

I thank Dr. Fredrick Chien for sharing his views with us.

Mr. President, I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Foreign Affairs, Winter, 1991–92]

A VIEW FROM TAIPEI

(By Fredrick F. Chien)

Developments in East Asia may appear sluggish compared to the momentous changes in Europe and the Soviet Union. The Cold War lines that divide both China and Korea remain firmly in place, although rendered more permeable by flexible policies. East Asia's three communist countries—mainland China, North Korea and Vietnam—are still ruled by first-generation revolutionary leaders. In stark contrast to the peaceful unification of Germany, Vietnam was unified by a vast communist army. And mainland China (the People's Republic of China) is soon to extend its domination to Hong Kong—the citadel of capitalism in the East. Moreover the string of arms control measures achieved in the West has not found a counterpart in East Asia. Soviet President Mikhail Gorbachev's policy of accommodation, sweeping as it is, has only begun to thaw the chilly relations between the Soviet Union and Japan. For different reasons the major powers in this area appear unwilling or unable to change the current situation.

Yet beneath the surface important currents of change are discernible. First, East Asia ranks as the fastest growing area of the world in terms of economic output. Japan's gross national product, 50 years after Pearl Harbor, is double that of Germany. Japan is now the world's largest creditor, while its victorious World War II adversary, the United States, has slipped into being the world's largest debtor. Other East Asian economies are also doing well, with average growth rates that far outstrip those of the European Community.

Second, the process of democratization is moving apace in the Republic of China (R.O.C.) on Taiwan, the Republic of Korea and the Philippines. The light of democracy that flickered to life in 1989 on the Chinese mainland has only been dimmed, not extinguished. In fact the collapse of communism in the Soviet Union and eastern Europe may portend similar developments in mainland China after the passing of its first-generation leaders.

Finally, a spirit of reconciliation seems to be prevailing in East Asia as well. The normalization of relations between mainland China and the Soviet Union and also Vietnam, as well as the establishment of diplomatic ties between Moscow and Seoul and expanding people-to-people interchanges between the two sides of the Taiwan Straits are but a few examples. In short, while the Cold War structure remains largely intact in East Asia, global trends toward democratization, development and détente have deeply penetrated the area, and there are grounds for optimism about the future.

Since its withdrawal from the United Nations in 1971, the R.O.C. has aimed to maintain and expand its substantive relations with other countries. It has also sought to upgrade its economic structure and make itself more democratic. Today it is the fifteenth largest trading nation in the world, with a GNP more than one-third that of mainland China. The R.O.C. is widely recognized as having emerged from an era of isolation and irrelevance to become a potentially valuable contributor to the emerging new world order. By furthering trends toward democratization, development, international integration and détente, Taiwan may play an important role in promoting stability and prosperity in East Asia. In fact Taiwan's experience may someday be especially relevant to the future of a unified and democratic China.

II

The 1911 evolution led by Dr. Sun Yat-sen brought the Ching dynasty to an end, but failed to create a suitable environment for economic and political development. The following four decades were marked by fierce fighting among rival warlords, a communist insurgency and a Japanese invasion that eventually helped lead to the communist conquest of the mainland.

Since 1949 Taiwan has made slow progress toward democratization, the timing and direction of which was narrowly controlled by the government, taking into account the threat from mainland China and Taiwan's own socioeconomic development. By the mid-1980s Taiwan and Singapore had become the only non-oil exporting countries in the world with per capita incomes of at least $5,000 a year that did not have fully competitive democratic systems. But today Taiwan has finally developed the proper economic and social base for successful democracy.

An important step toward Taiwan's political reform came in 1986, when opposition forces formed the Democratic Progressive Party (DPP), defying a government ban on new political parties. The ruling Kuomintang (DMT, or Nationalist Party) not only refrained from taking action against the opposition but made a series of moves in the following years that decidedly liberalized and democratized the nature of Taiwan's political system. The liberalization measures adopted by the KMT included replacing martial law with a new national security law, lifting press restrictions, revamping the judiciary and promulgating laws on assembly, demonstration and civil organization. The democratization measures legalized opposition parties, redefined the rules for political participation—such as the electoral law—and include the ongoing reform of the legislature (the Legislative Yuan), the electoral college (the National Assembly) and the R.O.C. constitution.

This process of democratization, begun by President Chiang Ching-kuo before his death in January 1988, was given further impetus by his successor, Dr. Lee Teng-hui. At his inauguration in May 1990, President Lee set a two-year timetable to complete the country's democratic transformation, including major structural and procedural reforms. A National Affairs Conference was convened in June 1990 with delegates drawn from all major political and social forces. After much public debate the NAC decided to end Taiwan's "mobilization period," begun in 1949, which had allowed the government extraordinary national security powers.

A declaration to this effect, made by President Lee in May 1991, also included recognition that a "political entity" in Peking controls the mainland area. On the recommendation of the NAC the "temporary provisions" appended in May 1949 to the 1947 constitution, giving the government sweeping powers to deal with external and internal threats, were abrogated in early 1991. By the end of the year all the senior members of the Legislative Yuan and National Assembly elected on the mainland prior to 1949, and who have never been subject to reelection, will have retired. A new National Assembly composed exclusively of representatives elected in Taiwan will then undertake the final phase of democratic reform: revision of the R.O.C. constitution. Upon its completion in mid-1992, and after Legislative Yuan elections scheduled for the end of that same year, the R.O.C. will have become by any standard a full-fledged democracy.

The R.O.C.'s democratization process is unique. It has not been initiated or monitored by external forces, as it was in Japan and West Germany. Nor was it undertaken after political or social upheavals, as the Greece or Argentina and lately in the Soviet Union. Rather it has evolved peacefully within the country and is mainly the result of prosperity. Tensions and divergent views exist, to be sure. For example, although both sides of the Taiwan Straits maintain that Taiwan has been, legally and historically, an integral part of China, the Democratic Progressive Party insists that Taiwan is a sovereign, independent entity. The DPP's position is contrary to the R.O.C. government's claim to represent all of China. Furthermore the DPP's foreign-policy platform holds that

Taiwan should develop its own international relations, including membership in the United Nations and all other international organizations, on the basis of independent sovereignty and under the name "Taiwan." The R.O.C. government, however, maintains that "Taiwan," as a geographical area, is merely an island province of the R.O.C.

These kinds of differences are inevitable in an open society. But the point is that the government of the R.O.C. itself has largely set the timing for its own democratization; the clock cannot and will not be turned back. It is worth noting that the R.O.C. is the first Chinese-dominated society to practice pluralistic party politics. In that sense what we have been witnessing is truly revolutionary. It realizes the dreams of many of our founding fathers—a dream for which many have sacrificed their lives. And yet R.O.C. prosperity and democratization have been achieved without bloodshed and without overturning the existing socioeconomic order.

These changes, however, do not come without a price. They have unleashed societal forces that present new challenges to the government, which still needs to coordinate reforms in other areas, such as economic policy, mainland policy and foreign affairs. As various societal interest groups stake their claims on public policymaking, the quality of government will increasingly have to rise to meet the needs of its various constituents.

III

Despite Taiwan's economic miracle, rapid social change and political liberalization, the R.O.C. has an artificially low international status and remains an outsider to the emerging international order. Between the urgent necessity for greater integration into the international community and an underlying desire not to forsake the future reunification of China, the R.O.C. has adopted a flexible approach to foreign relations, commonly called "pragmatic diplomacy."

Pragmatic diplomacy did not emerge overnight. The R.O.C.'s diplomatic fortunes suffered their first major setback in 1971, when its seat in the U.N. General Assembly and Security Council were taken by mainland China. Its diplomacy reached its lowest point in 1979, when the United States switched diplomatic recognition to Peking. At that time the R.O.C. maintained formal diplomatic relations with only 21 countries and had only 60 offices abroad, and it feared that other nations would follow Washington's lead. Taiwan suffered yet another blow in 1982 with the "August 17 Communiqué," signed by Washington and Peking, which committed the United States to reducing the quantity and quality of arms sold to Taiwan.

But Taipei learned much from these reversals. A spirit of pragmatism emerged among its foreign-policy makers as well as the nation's public. Amid increasingly strident popular calls for change, the government chose on several occasions to adopt a more flexible approach. For instance, the R.O.C. agreed to participate in the 1984 Los Angeles Olympics under the title "Chinese Taipei," not "Republic of China," as in previous games. It protested Peking's entry in 1986 into the Asian Development Bank (ADB), but refrained from withdrawing itself.

Under President Lee the R.O.C.'s search for international visibility and participation became more vigorous. In April 1988 an official delegation was sent to Manila to attend the annual ADB meeting under the name "Taipei, China." This was the first time that the R.O.C. and mainland China had both attended a meeting of an international governmental organization. In his opening address to the KMT's Thirteenth Party Congress in July 1988, President Lee urged the party to "strive with greater determination, pragmatism, flexibility and vision in order to develop a foreign policy based primarily on substantive relations," a passage incorporated into the party's new platform.

In March 1989 President Lee led an official delegation on a highly successful visit to Singapore, where he was referred to in the local press as "the President from Taiwan." That May the R.O.C. made an even more dramatic decision to dispatch its finance minister. Dr. Shirley Kuo, to the annual ADB meeting, this time in Peking. President Lee explained the decision in a June 3, 1989, speech to the Second Plenum of the KMT's Thirteenth Central Committee: "The ultimate goal of the foreign policy of the R.O.C. is to safeguard the integrity of the nation's sovereignty. We should have the courage to face the reality that we are unable for the time being to exercise effective jurisdiction on the mainland. Only in that way will we not inflate ourselves and entrap ourselves, and be able to come up with pragmatic plans appropriate to the changing times and environment."

In 1988 Taipei established an International Economic Cooperation and Development Fund and appropriated $1.2 billion for economic aid to Third World countries. This new foreign aid program, plus the 43 teams of technical experts already working in 31 countries, places the R.O.C. firmly in the ranks of significant aid-providing nations. Moreover 1989 saw the establishment of the Chiang Ching-kuo Foundation for International Scholarly Exchange with an endowment of over $100 million. A fund for International Disaster Relief also provided tens of millions of dollars to the Philippines, the Kurdish refugees and others who suffered during the Gulf War.

These and other efforts resulted in a sharp increase in the R.O.C.'s international ties. As of 1991 the R.O.C. has formal diplomatic relations with 29 countries and maintains 79 representative offices in 51 countries with which it has no diplomatic relations. These offices, some of which bear the Republic of China's official name, facilitate bilateral cooperation in areas such as trade, culture, technology and environmental protection. The R.O.C. is also a formal participant in the newly formed ministerial-level organization, the Asian Pacific Economic Cooperation, and has been active in regional groupings such as the Pacific Basin Economic Cooperation and the Pacific Economic Cooperation Council. It also stands ready to join the General Agreement on Tariffs and Trade as the representative government of the "customs territory of Taiwan, Penghu, Kinmen and Matsu," not the whole of China.

While pragmatic diplomacy enjoys wide support at home—so much so that the country's foreign relations were not an issue during the hotly contested 1989 election campaign—it has invited relentless criticism from mainland China. Characterizing it as a plot to create "one China, one Taiwan," or "two Chinas," Peking has taken a number of steps to forestall the R.O.C.'s international integration. Those countries that have shown interest in establishing air links with Taipei, receiving or sending official delegations, setting up offices in Taiwan or simply striking major business deals are warned of "deleterious consequences." In 1991 along twenty countries, including Poland, Hungary, the Philippines, Malaysia and the Soviet Union, have been forced to reaffirm that "the P.R.C. is the sole legitimate government of China, and Taiwan is part of China."

This has not deterred the R.O.C. from its charted course. Pragmatic diplomacy is part and parcel of the R.O.C.'s democratic transformation, reflecting the nation's collective yearning for change. Just as the domestic political process is being democratized and its economy opened to the world, so its foreign relations must become more flexible as well.

IV

Taiwan is directly susceptible to winds of change from the Chinese mainland. In recent years the relationship between the two sides of the Taiwan Straits has undergone a seachange. From 1949 to 1979 Taiwan was constantly threatened by direct military invasion. The shelling of Kinmen and Matsu in 1958, which almost brought the two superpowers into confrontation, was a dangerous example.

But beginning in 1979, when Deng Xiaoping led the Peking leadership to embark on its "four modernizations" program mainland China's need to maintain a peaceful image eased its hard-line policy. The new goal was not to coerce but to cajole Taipei back into the fold with a variety of devices, such as the "one country, two systems" formula advanced by Deng in 1984. According to this formula, Taiwan would be downgraded to a "highly autonomous region," thus conceding the right to conduct its own foreign relations and national defense. The R.O.C. resisted by adopting its "three nos" stance toward mainland China: no contact, no compromise, no negotiations.

This deadlock was broken in November 1987 when President Chiang Ching-kuo decided to allow people on Taiwan to visit family members on the mainland. Subsequently, long-standing bans on indirect trade and investment, academic, sports and cultural exchanges, tourist visits and direct mail and telephone links were lifted in rapid succession. This opened the floodgates to people-to-people exchanges between the two sides of the straits, unprecedented at any period of Chinese history. In the early part of this year alone, an estimated two million people from Taiwan visited the mainland, more than 28 million letters were sent in both directions—an average of 40,000 per day—and telephone, fax and telex exchanges numbered five million. Moreover, by conservative estimates, indirect trade reached $4.04 billion in 1990 and investment topped $2 billion.

In November 1990 a cabinet-level Mainland Affairs Commission was established. At the same time the R.O.C. created the Straits Exchange Foundation, an organization funded primarily by private money. The SEF serves as an intermediary between the peoples of Taiwan and the mainland on an entire range of functional issues. If necessary the SEF may engage mainland representatives in non-political negotiations. Thus far SEF personnel have visited the mainland on three occasions and received one Red Cross delegation from mainland China—events all highly publicized by the R.O.C. press. The two sides have agreed on procedures for the repatriation of criminals and have indicated an interest in the joint prevention of crimes committed on the high seas. It is hoped, at least by the R.O.C., that through these exchanges "peace by pieces" may be achieved.

A National Unification Council was set up in October 1990 with President Lee as its chairman. To further clarify the R.O.C.'s stance on mainland-Taiwan relations, new Guidelines for National Reunification were proposed by this council and accepted by the

Executive Yuan (Cabinet) in March 1991. The guidelines state: "After an appropriate period of forthright exchange, cooperation and consultation conducted under the principles of reason, peace, equity and reciprocity, the two sides of the Taiwan Straits should foster a consensus on democracy, freedom and equal prosperity, and together build anew a single unified China."

The guidelines envision unification after three consecutive phases. For the immediate future is a phase of exchanges and reciprocity, during which the two sides are to carry out political and economic reforms at home and "set up an order for exchanges across the straits * * * [to] solve all disputes through peaceful means and furthermore respect, not reject, the other in the international community," and "not deny the other's existence as a political entity."

In the medium term a phase of mutual trust and cooperation is envisioned, in which "official communications channels should be established on an equal footing," direct trade and other links should be allowed, and "both sides should jointly develop the southeast coastal areas of the mainland." Both sides should also "assist each other in taking part in international organizations and activities" and promote an exchange of visits by high-ranking officials to create favorable conditions for consultation.

In the final phase both sides may jointly discuss the grand task of unification and map out a constitutional system built on the principles of democracy, economic freedom, social justice and nationalization of the armed forces. In today's Taiwan context "nationalization" means enhancement of the nonpartisanship of the armed forces.

Public opinion polls show a hard core of "unification" supporters in Taiwan, amounting to about 10 percent of the population. There is also a group of "independence" advocates whose strength ranges between 5 and 12 percent of the population. In between is a silent majority whose views tend toward the R.O.C. government's long-standing position of "one China, but not now" and its emphasis on phased advances toward the goal of unification. However, as in other democracies, the minority may be vocal and aggressive, and their voices are often amplified through the democratic process, thus complicating the formulation of mainland policy. While the push and pull involved in formulating the R.O.C.'s mainland policy may seem natural to those familiar with Taiwan's increasingly democratic political system, it at times appears inscrutable to the aged leaders in Peking.

Given the widening gap—politically, socially and psychologically—between the two sides of the straits, the danger for the R.O.C. appears to stem not so much from Peking's capricious and expansionist tendencies as from its unwillingness or inability to comprehend the changes in the R.O.C. The mainland's aged leaders seem all too ready to take extreme positions by drawing parallels between the R.O.C.'s democratization and what is derisively called "Taiwanization," and between "pragmatic diplomacy" and "two Chinas." At the heart of these misperceptions is Peking's stereotype of Taiwan as a small island province located on the Chinese periphery and ruled by mainland China's defeated civil war enemies. From this vantage point there is no way Peking can treat Taipei as an equal. The same attitude seems to have led the Peking leadership to deny, or at least suppress, the fact that the R.O.C. has come far in the last four decades in overcoming age-old feudalism, poverty and the last vestiges of imperialism. One hopes that in time the Peking leadership will realize that the R.O.C., as a dynamic polity and vibrant economy with ideals, hopes and fears of its own, likewise cannot agree to hold political negotiations with Peking from an unequal position and while mainland China continues to rattle its saber.

v

For too long too many foreign observers have cast the R.O.C. in a unidimensional mold. For those who hailed the R.O.C. as a bulwark of anticommunism, it was to be supported at any price. For those who favored better relations with mainland China, Taiwan was viewed as a "problem" or an "obstacle" to China's unification. When many in the United States were obsessed with the deteriorating bilateral trade situation, Taiwan even became a "threat" to be curbed by protectionist legislation.

Yet the Republic of China is rapidly coming of age. It is evolving into something that fits none of the old stereotypes. Along with the old stereotypes, we must throw out the old prism through which events on the island were once perceived. No analysis of issues relating to China is complete if it fails to take into account the views, ideals, aspirations and fears of the people of Taiwan.

Just as Taiwan is a part of China, so is the mainland. Neither should seek to lord it over the other or to claim superiority by dint of size, population or past performance. Both should instead recognize the fact that two different systems exist in these separate parts of China. While unification is the ultimate goal of Chinese on both sides of the Taiwan Straits, it should not be pursued simply for its own sake. As the breakup of the Soviet Union has shown, a forced union will ultimately end in divorce. The primary task for both governments in the next few years is therefore not to accelerate artificially the wheels of history, but to carry out reforms at home in order to narrow the political and economic gaps between the two sides. Most important, the unification process should be peaceful and voluntary, so that it will neither constitute an imposition by one side on the other nor cause undue concern among China's neighbors.

As the world celebrates the end of the Cold War, the people of the Republic of China are looking forward to making greater contributions to a new world order. Taiwan's experience shows that the Chinese people, like any other people, are fully capable of practicing democracy, promoting rapid economic growth with equitable income distribution and living peacefully with their neighbors. For this the R.O.C. welcomes the arrival of the global tides of democratization, development, international integration and detente in East Asia.

IRRESPONSIBLE CONGRESS? HERE'S TODAY'S BOXSCORE

Mr. HELMS. Mr. President, the Federal debt run up by the U.S. Congress stood at $3,884,477,478,442.98, as of the close of business on Tuesday, April 28, 1992.

As anybody familiar with the U.S. Constitution knows, no President can spend a dime that has not first been authorized and appropriated by the Congress of the United States.

During the past fiscal year, it cost the American taxpayers $286,022,000,000 just to pay the interest on spending approved by Congress—over and above what the Federal Government collected in taxes and other income. Averaged out, this amounts to $5.5 billion every week, or $785 million every day.

On a per capita basis, every man, woman, and child owes $15,123—thanks to the big-spenders in Congress for the past half century. Paying the interest on this massive debt, averaged out, amounts to $1,127.85 per year for each man, woman, and child in America—or, to look at it another way, for each family of four, the tab, to pay the interest alone, comes to $4,511.40 per year.

What would America be like today if there had been a Congress that had the courage and the integrity to operate on a balanced budget?

THE ARMENIAN GENOCIDE

Mr. DECONCINI. Mr. President, April 24 is the day Armenians commemorate the massacres, deportations, and other horrors that befell their people in 1915 and later during World War I. It is a day of remembering, of solemn reflection.

As Armenians mourn, it has become customary for their friends in the U.S. Congress to mark the day with them, to express their solidarity, to share their outrage, and to join their voices in unified resolve to make sure that the world does not forget the genocide which took place at that time.

Such annual commemorations do not mean that we think about the victims only once a year.

Rather, they are a way of focusing our thoughts and feelings at a particular moment in an ongoing remembrance by relatives and friends. Nor is the sole purpose of such institutionalized commemoration to recall the tragic fate of the victims; for while it may seem paradoxical, the concentration on the sufferings of a specific people—Armenians—also lends a universal meaning to their loss and sacrifice by emphasizing the oneness of humanity and of all peoples.

Raffi Hovannisian, Armenia's Foreign Minister, expressed this idea in his remarks at the opening of the CSCE followup meeting in Helsinki on March 26, 1992, when he said:

> Armenians have a keen sense of their history, and we are determined to see that the massacres, deportations, genocide and other atrocities which have befallen our people in the last one hundred years never happens again—to anyone.

Everyone can support this noble sentiment and all of us should work to ensure its realization.

This year, Armenians commemorate their loss while celebrating the rebirth of Armenian statehood. After 70 years of Soviet oppression, Armenia is an independent country, recognized as such by other countries, which have established diplomatic relations with it.

I am proud to have been recently in Armenia, where President Levon Ter-Petrossyan and Catholicos Vazgen stressed their appreciation of United States support and traditional warm ties with Armenia.

Armenia today is a new state, struggling to overcome the legacy of communism and adapting to life in a troubled region. Armenia faces many problems, the most vexing of which is the conflict in Nagorno-Karabakh.

But international mediation efforts, spearheaded by the Conference on Security and Cooperation in Europe, are in motion. I am hopeful that the upcoming CSCE peace conference on Nagorno-Karabakh will bring an end to the bloodshed.

A secure peace and the establishment of mutually beneficial relations with neighboring states at the end of the 20th century—that, Mr. President, would be the best way to honor Armenia's grievous loss in this century's earlier years.

UNITED STATES SHOULD APPLY EQUAL STANDARDS IN ESTABLISHING DIPLOMATIC RECOGNITION TO COUNTRIES OF FORMER YUGOSLAVIA

Mr. PELL. Mr. President, yesterday I joined with Senator DOLE and others to introduce a resolution that urges the United States to withhold diplomatic recognition of Serbia and Montenegro until Serbia meets certain conditions. I am pleased that the Senate passed this resolution last night.

There are special circumstances in the former Yugoslavia that warrant such action on the part of the United States and its allies. I do not usually advocate that the United States delay in establishing a diplomatic relationship with another country. But in this case, the country with which we had diplomatic relations and to which our current Ambassador is assigned—the Socialist Federal Republic of Yugoslavia—has ceased to exist. In its place a new country has emerged, proclaimed by Serbia and Montenegro on April 27 to be the Federal Republic of Yugoslavia, and comprising the territory of those two former Republics.

The new Yugoslavia, subjected to the leadership of Serbian President Slobodan Milosovic, is currently engaged in aggression against its neighbors. It has initiated war against the newly independent states of Bosnia-Hercegovina and Croatia, and is brutally repressing the Albanian population in Kosova, which was once an independent province.

Mr. President, earlier this month, the United States at long last recognized the independence of Slovenia, Croatia, and Bosnia-Hercegovina. These countries had to jump through proverbial hoops before the United States would recognize their independence. In making his announcement, President Bush said:

> We take this step because we are satisfied that these states meet the requisite criteria for recognition (of their independence).

He also said that the United States would begin consultations to establish full diplomatic relations with those countries.

However, the United States has put the leaders of these states on notice that they must make certain commitments before the United States will take that next step and establish diplomatic relations with them. These commitments include: Adherence to CSCE principles and implementation of CSCE commitments; respect for the independence and territorial integrity of other former Yugoslav republics; implementation of commitments made at the EC negotiation conference; fulfillment of treaty obligations of the former Yugoslavia, including assumption of appropriate share of international financial obligations; commitment to responsible security policies including adherence to the Nuclear Nonproliferation Treaty as a nonnuclear state; adherence to other international agreements relating to weapons of mass destruction and destabilizing military technologies; and finally, commitment to the establishment of a market economy and cooperative trade relations with other former Yugoslav republics.

Apparently, Mr. Milosovic, the Serbian leader, has been informed that United States relations with Serbia will depend upon his Government's meeting certain requirements as well. In a statement earlier this week, State Department spokesperson, Margaret Tutwiler said: "* * * the U.S. attitude about future relations with Serbia and Montenegro will be framed by their demonstrated respect for the territorial integrity of the other former Yugoslav republics and for the rights of minorities on their territory." However, in the meantime, the U.S. Ambassador continues to remain in Belgrade, and Belgrade continues to have a seat at the United Nations, the Commission on Security and Cooperation in Europe, and other international organizations.

The other countries have been told that before the U.S. Government will set up a diplomatic mission, they must meet certain standards. However, Mr. Milosovic and his cronies are—astonishingly—enjoying the fruits of diplomatic relations without having done anything of the sort. In fact, the Serbian leaders are taking actions that should preclude diplomatic recognition. The brutal military actions of the Serb-dominated Yugoslav Army and Serbian militants have resulted in the death of innocent civilians and the destruction of homes, schools, churches, and mosques. The town of Medjugorje, to which millions of Americans and Western Europeans have been making pilgrimages in recent years, is threatened by destruction. The Albanians of Kosova continue to be denied their basic human rights.

Mr. President, last week the New York Times published an editorial entitled "What if Bosnia Had Oil?" This piece argues that Mr. Milosovic bears the lion's share of the blame for the current cycle of violence in the former Yugoslavia. It also suggests several concrete ways for the United States to express its opposition to Serbia's actions. I ask unanimous consent that it be printed in the RECORD at the end of my remarks, and I commend it to my colleagues. I also wish to thank my colleagues for their support of the resolution.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Apr. 23, 1992]

WHAT IF BOSNIA HAD OIL?

When Saddam Hussein sent his divisions plunging into helpless little Kuwait, President Bush proclaimed an inviolable principle: Aggression would not stand. Hah, cynics said, the issue is not principle but oil. If Kuwait were not rich in oil, the West would have not rushed half a million soldiers to the Persian Gulf.

Was the President following a double standard? The world now looks to the aggression, every bit as cruel and unprovoked, by Serbia's Slobodan Milosevic against Bosnia and Herzegovina. That newborn state has no oil—and no defenses. Will the U.S. and Europe stand up for principle as strongly as they did for petroleum?

Bosnia is just the place for the Administration to show it means what Secretary of State Baker says about collective engagement to secure peace. Yet the State Department does no more than mumble, as if innocent Bosnians were equally to blame. How much more Serbian terror is required to get the Administration to talk and act sternly, to turn Serbia into a pariah until it lets go of Bosnia?

Mr. Milosevic bears chief blame for the bloodletting. Bosnia preferred to remain in a loosely confederal Yugoslavia. But when he whipped up Serbian nationalism, driving out other republics, Bosnia was forced to flee a Serb-dominated rump state. Now, ignoring the latest U.S. entreaty, he seems determined to dismember Bosnia. Serb irregulars and the Serb-led Yugoslav Army are stepping up their barrages against Bosnia's defenseless towns. They have seized two-thirds of Bosnia and driven tens of thousands from their homes.

There are several concrete ways for the United States to take the lead now:

Deny recognition to Serbia as Yugoslavia's legal heir; break relations with the Yugoslav shell; expel the Milosevic gang from international organizations like the United Nations.

Work to increase U.N. peacekeeping forces in Sarajevo and disperse them through Bosnia.

Tighten, and enforce, the economic blockade on landlocked Serbia. Without oil, weapons, ammunition and spare parts, Serbia's war machine will eventually grind down.

To be effective, these diplomatic and economic pressures require full cooperation from Europe. Much as it did in the Persian Gulf war, Washington can mobilize a unified

Europe. No one has a greater stake in territorial integrity than the rest of Europe, East and West. Europeans cannot—dare not—tolerate Mr. Milosevic's dangerous attempt to change Bosnia's borders by force.

Stepping up the pressure may at a minimum rouse Serbs opposed to aggressive Milosevic nationalism. Many have fled or gone into hiding rather than march with a marauding Yugoslav Army. If the rest truly care about protecting kinsmen in Bosnia and elsewhere, they will press their Government to stop the terror and get out of Bosnia. If Americans believe in the principle that aggression is intolerable, they will stand up for it, oil or no oil.

EARTHQUAKE HAZARDS IN NEVADA

Mr. REID. Mr. President, I rise today to offer my condolences to the citizens of our sister State of California after this past week's two severe earthquakes. These two events illustrate two points concerning the hazards earthquakes pose to our Nation.

First, while both of these events, the magnitude 6.1 on last Wednesday and the 7.0 on Saturday, caused structural damage in the quake region, the lack of any loss of life from these tremblers demonstrates that the efforts of the entire earthquake mitigation community has succeeded to a large measure in preparing the population about earthquake hazards in California. Decades of work on local planning boards, building code committees, and public awareness initiatives have reduced the human cost of earthquakes.

These two most recent disasters must remind citizens in many other States that they also live in earthquake country and need to be as prepared as California. We should take a page from California's record on this issue and redouble efforts outside California to increase earthquake hazard mitigation funding.

My second point is that both of these earthquakes were also felt in Nevada. My State has had a long history of earthquakes. While not as often, still as large. In 1872, the Owens Valley earthquakes in California, magnitude 7.8, caused strong shaking and damage in Nevada. The population of my State at that time was only a fraction of what it is today. In 1954, over only a 4-month period, four large earthquakes shook western and central Nevada; the largest of these had a magnitude of 7.2. Today the Reno-Carson City urban corridor is home to one-third of my State's population. A severe earthquake occurs in Nevada, on average every 27 years, and it has been more than that length of time since the last one.

Earthquakes occur without warning. No organization like the National Weather Service can beam information out to the public to tell citizens when a quake is imminent. This means we must maintain our virgil and readiness. Earthquake awareness week has just been completed in Nevada. For the first time, children in schools across Nevada participated in earthquake drills. Preparation is important, but earthquake mitigation is key.

We need to continue mapping active faults as part of a geologic mapping and land-use planning program. We must maintain and upgrade seismographic stations which show the faults that are active. Finally, we need to assess in detail earthquake hazards in States outside California.

I urge my colleagues to join me in: First, supporting Senator INOUYE's earthquake and volcano hazard bill; second, support full funding at authorized levels the National Earthquake Hazard Reduction Program [NEHRP]; and third, urge the Federal Emergency Management Agency [FEMA] to direct funding to where the earthquake hazard is the greatest, not solely based on population.

Nevada, like California and Alaska are located in Uniform Building Code [UBC] earthquake risk zone 4, the highest level of risk. As a percentage of population, Nevada has the highest percentage of its population in risk zone 4 of any other State. My State has the fewest number of unevaluated bridges in risk zone 4. We have the lowest number of FEMA grants to perform earthquake education, earthquake risk evaluation and mitigation studies by congesssional district in risk zone 4.

Let us learn from the earthquakes in California and work toward a safer future for all citizens in this great country by striving to mitigate the earthquake hazards across this land now.

THE BANK OF GRANITE: MOST PROFITABLE IN THE UNITED STATES

Mr. HELMS. Mr. President, before coming to the Senate, I had the privilege of serving as executive director of the North Carolina Bankers Association. In that capacity, I had a unique opportunity to work with some extraordinary individuals whose lives and careers embodied the American dream.

During the recess, I ran across an article in the Hickory News about one such individual, John A. Forlines, Jr. John is chairman and chief executive officer of the Bank of Granite, at Granite Falls, NC.

The article notes that the Bank of Granite has been rated by the United States Banker magazine as America's most profitable bank based on its average return on investment and adjusted returns on average assets. Incidentally, 2 other North Carolina banks are among the magazine's top 60 as well—LSB Bancshares in Lexington, and First Security Financial in Salisbury.

When asked by the magazine about his bank's success, John Forlines observed that the Bank of Granite serves "the garden spot of the world."

But John also credited the bank's operating philosophy. "We don't have any automatic formula," he noted, "we run a lean ship * * * we don't have excess people around here." He cited his "largely consumer and small business" base and the fact that the bank's employees pride themselves "on giving good personal service." Obviously, the people in the communities John serves respond to this kind of service.

Mr. President, I congratulate John on this remarkable achievement. Moreover, the designation of the Bank of Granite as our Nation's most profitable bank illustrates two points which all Senators would do well to keep in mind when we consider legislation affecting our Nation's banks, as well as other businesses: First, that adherence to the business fundamentals of efficiency, quality, integrity, and service is still a certain formula for success; and second, that even with the growth of large national and regional banks, there is still a place in our economy for smaller, community-based banks.

Mr. President, I ask unanimous consent that the Hickory News article of April 16, "Nation's most profitable bank," be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Hickory News, Apr. 16, 1992]

NATION'S MOST PROFITABLE BANK

Bank of Granite, headquartered at nearby Granite Falls, is not only listed among the 60 most profitable banks in the USA in the April issue of United States Banker—but heads the list as the most profitable in the nation.

The banking magazine, in business since 1891, had the bank's chairman and chief executive officer, John A. Forlines Jr., on the cover—sharing the honors with three other leaders in the industry.

Based on its survey, "the $335 million-asset Bank of Granite Corp. of Granite Falls, N.C., is America's most profitable bank. The reason: its adjusted return on average assets never dipped below 1 percent in the four years from 1988 through 1991, and its average return on investment for those four years, at 2.09 percent, was the highest of all the banks that met the basic criteria," the magazine reported.

To qualify for the survey, banks had to earn at least 1 percent on assets for each of the four years and its equity/asset ratio had to be at least 5 percent.

In the old days, the article stated, it was customary to separate small banks from large banks because regulars demanded that small banks have higher capital ratios than big banks. The theory: small banks were less diversified and therefore needed a bigger capital cushion. That philosophy has changed and regulars no longer discriminate against small banks.

Bank of Granite, used as an example, was at the small end of the size spectrum, while its equity/asset ratio of 12.7 percent was among the highest. And because earnings were so high, its return on equity was "still a hearty 17.2 percent."

In the report, Mr. Forlines, 73, refers to the area as "the garden spot of the world." From

a banker's perspective, "no wonder," the magazine reported. "The company's return on investment has exceeded 2 percent on average assets for six years."

A dozen years ago, Mr. Forlines stated, "we didn't know whether we'd survive or prosper. Strangely, we had the best years ever."

Asked if he had a secret, the banker said he didn't have any. "We don't have any automatic formula. We run a lean ship. We don't have excess people around here.

"We pride ourselves on giving good personal service. We don't waste our time with big, big companies; they want everything for free."

BANKER "AWFULLY PROUD * * *"

"Awfully proud, proud of our people," is how John Forlines reacted to being named at the top of the 60 most profitable banks in the USA.

The chairman of the board and CEO of the bank wasn't surprised the bank was among the 60 most profitable, but was "somewhat surprised" to be at the top of the list.

ORDER FOR STAR PRINT—S. 2461

Mr. MITCHELL. Mr. President, I ask unanimous consent that S. 2461 be star printed to reflect a change I now send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

FISCAL YEAR 1993 BUDGET AND REVISED FISCAL YEAR 1992 BUDGET—MESSAGE FROM THE PRESIDENT—PM 233

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Governmental Affairs:

To the Congress of the United States:

In accordance with the District of Columbia Self-Government and Governmental Reorganization Act, I am transmitting the District of Columbia Government's 1993 budget request and 1992 budget supplemental request.

The District of Columbia Government has submitted two alternative 1993 budget requests. The *first alternative* is for $3,311 million in 1993 and includes a Federal payment of $656 million, the amount authorized and requested by the D.C. Mayor and City Council. The *second alternative* is for $3,286 million and includes a Federal payment of $631 million, which is the amount contained in the 1993 Federal budget. My transmittal of this District budget, as required by law, does not represent an endorsement of the contents.

As the Congress considers the District's 1993 budget, I urge continuation of the policy enacted in the District's appropriations laws for fiscal years 1989–1992 of prohibiting the use of both Federal and local funds for abortions, except when the life of the mother would be endangered if the fetus were carried to term.

GEORGE BUSH.

THE WHITE HOUSE, *April 30, 1992.*

MESSAGES FROM THE HOUSE

At 6:15 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolutions, each without amendment:

S.J. Res. 174. Joint resolution designating the month of May 1992, as "National Amyotrophic Lateral Sclerosis Awareness Month"; and

S. J. Res. 222. Joint resolution to designate 1992 as the "Year of Reconciliation Between American Indians and non-Indians.

The message also announced that the House agrees to the amendments of the Senate to the bill (H.R. 2763) to enhance geological mapping of the United States, and for other purposes.

The message further announced that the Speaker makes the following modifications in the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1150) entitled "An act to reauthorize the Higher Education Act of 1965, and for other purposes":

As additional conferees from the Committee on Science, Space, and Technology, for consideration of sections 427 and 1405 of the Senate bill, and sections 499A, 499B, and 499C of the House amendments and modifications committed to conference: Mr. BROWN, Mr. BOUCHER, Mr. THORNTON, Mr. WALKER, and Mr. PACKARD.

The message also announced that the House has passed the following joint resolutions, in which it requests the concurrence of the Senate:

H.J. Res. 388. Joint resolution designating the month of May 1992, as "National Foster Care Month";

H.J. Res. 425. Joint resolution designating May 10, 1992, as "Infant Mortality Awareness Day";

H.J. Res. 430. Joint resolution to designate May 4, 1992, through May 10, 1992, as "Public Service Recognition Week"; and

H.J. Res. 466. Joint resolution designating April 26, 1992, through May 2, 1992, as "National Crime Victims' Rights Week."

ENROLLED BILLS SIGNED

The message further announced that the Speaker has signed the following enrolled bills:

H.R. 2454. An act to authorize the Secretary of Health and Human Services to impose disbarments and to take other action to ensure the integrity of abbreviated drug applications under the Federal Food, Drug, and Cosmetic Act, and for other purposes; and

H.R. 3337. An act to require the Secretary of the Treasury to mint coins in commemoration of the 200th anniversary of the White House, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–3066. A communication from the Chief of the Forest Service, Department of Agriculture, transmitting, pursuant to law, the annual wildfire rehabilitation report for calendar year 1991; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3067. A communication from the Acting General Sales Manager of the Foreign Agricultural Service, transmitting, pursuant to law, amendments to the previous determination of the agricultural commodities and qualities available for programing under Public Law 480 during fiscal year 1992; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3068. A communication from the Acting Comptroller General of the United States, transmitting, pursuant to law, a report on the status of certain budget authority proposed for rescission in his third special impoundment message for fiscal year 1992; pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, referred jointly to the Committee on Appropriations, the Committee on the Budget, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Banking, Housing, and Urban Affairs, and the Committee on Foreign Relations.

EC–3069. A communication from the Acting Comptroller General of the United States, transmitting, pursuant to law, a report on the proposed rescission of certain budget authority proposed by the President in his fourth special impoundment message for fiscal year 1992; pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, referred jointly to the Committee on Appropriations, the Committee on the Budget, the Committee on Armed Services, the Committee on Banking, Housing, and Urban Affairs, and the Committee on Commerce, Science, and Transportation.

EC–3070. A communication from the Secretary of Veterans Affairs, transmitting, pursuant to law, a report on a violation of the Anti-Deficiency Act; to the Committee on Appropriations.

EC–3071. A communication from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend title 10, United States Code, to authorize civilian students to attend the United States Naval Postgraduate School; to the Committee on Armed Services.

EC–3072. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report covering certain properties to be transferred to

the Republic of Panama in accordance with the Panama Canal Treaty of 1977 and related agreements; to the Committee on Armed Services.

EC–3073. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the President's annual report on the Panama Canal Treaties for fiscal year 1991; to the Committee on Armed Services.

EC–3074. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, the biennial President's Report on National Urban Policy; to the Committee on Banking, Housing, and Urban Affairs.

EC–3075. A communication from the Director of the Office of Thrift Supervision, transmitting, pursuant to law, the annual report on the preservation of minority savings associations for calendar year 1991; to the Committee on Banking, Housing, and Urban Affairs.

EC–3076. A communication from the Acting Administrator of the Federal Aviation Administration, transmitting, pursuant to law, the annual report on the effectiveness of the Civil Aviation Security Program for calendar year 1990; to the Committee on Commerce, Science, and Transportation.

EC–3077. A communication from the President of the United States, transmitting, pursuant to law, an executive order barring overflight, takeoff, and landing of aircraft flying to or from Libya; to the Committee on Commerce, Science, and Transportation.

EC–3078. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC–3079. A communication from the Administrator of the Energy Information Administration, Department of Energy, transmitting, pursuant to law, the annual report of the Energy Information Administration for calendar year 1991; to the Committee on Energy and Natural Resources.

EC–3080. A communication from the Secretary of the Interior, transmitting, pursuant to law, the annual report on National Historical Landmarks that have been damaged or to which damage to their integrity is anticipated; to the Committee on Energy and Natural Resources.

EC–3081. A communication from the Secretary of the Interior, transmitting, pursuant to law, a recommendation with respect to the location of a memorial to George Mason; to the Committee on Energy and Natural Resources.

EC–3082. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC–3083. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC–3084. A communication from the Assistant Secretary of the Interior (Land and Minerals Management), transmitting, pursuant to law, notice on leasing systems for the Central Gulf of Mexico, Sale 139, scheduled for May 1992; to the Committee on Energy and Natural Resources.

EC–3085. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC–3086. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC–3087. A communication from the Secretary of Energy, transmitting a draft of proposed legislation to abolish the position and Office of the Federal Inspector for the Alaska Natural Gas Transportation System, to transfer its functions to the Secretary of Energy, and for other purposes; to the Committee on Energy and Natural Resources.

EC–3088. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, notice of a delay in the submission of recommendations under the Medicare prospective payment system; to the Committee on Finance.

EC–3089. A communication from the Chairman of the Physician Payment Review Commission, transmitting, pursuant to law, the annual report of the Commission for calendar year 1991; to the Committee on Finance.

EC–3090. A communication from the Secretary of the Treasury, transmitting, pursuant to law, the annual report on the taxation of Social Security and Railroad Retirement Benefits in calendar year 1989; to the Committee on Finance.

EC–3091. A communication from the Secretary of Labor, transmitting, pursuant to law, the quarterly report on the expenditure and need for worker adjustment assistance training funds under the Trade Act of 1974 for the quarter ended December 31, 1991; to the Committee on Finance.

EC–3092. A communication from the Inspector General, General Services Administration, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, General Services Administration for the period ended September 30, 1991; to the Committee on Governmental Affairs.

EC–3093. A communication from the Executive Director of the Federal Financial Institutions Examination Council, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC–3094. A communication from the Chairman of the National Labor Relations Board, transmitting, pursuant to law, the annual report of the Board under the Government in the Sunshine Act for calendar year 1991; to the Committee on Governmental Affairs.

EC–3095. A communication from the Employee Benefits Manager of the Farm Credit Bank of Columbia, transmitting, pursuant to law, the annual audited financial statements of the Bank for the plan year ended August 31, 1991; to the Committee on Governmental Affairs.

EC–3096. A communication from the Chairman of the Board of Directors of the Rural Telephone Bank, Department of Agriculture, transmitting, pursuant to law, the annual report on the financial management systems of the Bank in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC–3097. A communication from the Chairman of the Board of Directors of the Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the annual report on the financial management systems of the Corporation in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC–3098. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, the annual report of the Commission under the Government in the Sunshine Act for calendar year 1991; to the Committee on Governmental Affairs.

EC–3099. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report on Indian Health Service tribal contract costs; to the Select Committee on Indian Affairs.

EC–3100. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report on actions taken to recruit and train Indians to qualify for positions which are subject to preference under Indian preference laws; to the Select Committee on Indian Affairs.

EC–3101. A communication from the Assistant Attorney General (Legislative Affairs), transmitting a draft of proposed legislation to repeal Acts extending the coverage of the Federal Tort Claims Act to include Indian tribes, tribal contractors, and others; to the Select Committee on Indian Affairs.

EC–3102. A communication from the Assistant Vice President of the National Railroad Passenger Corporation, transmitting, pursuant to law, the annual report of the Corporation under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC–3103. A communication from the Chairman of the National Labor Relations Board, transmitting, pursuant to law, the annual report of the Board under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC–3104. A communication from the General Counsel of the Federal Mediation and Conciliation Service, transmitting, pursuant to law, the annual report of the Service under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC–3105. A communication from the Executive Director of the National Mediation Board, transmitting, pursuant to law, the annual report of the Board under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC–3106. A communication from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to extend and amend the programs under the Runaway and Homeless Youth Act and the Program for Runaway and Homeless Youth under the Anti-Drug Abuse Act of 1988; to consolidate authorities for programs for runaway and homeless youth, and for other purposes; to the Committee on the Judiciary.

EC–3107. A communication from the Attorney General of the United States, transmitting, pursuant to law, recommendations concerning the coordination of overall policy and development of objectives and priorities for all Federal juvenile delinquency programs and activities; to the Committee on the Judiciary.

EC–3108. A communication from the General Counsel of the Department of the Treasury, transmitting a draft of proposed legislation to provide for the remedy of a civil injunction for the violations of counterfeiting and forgery, and for other purposes; to the Committee on the Judiciary.

59–059 O—96 Vol. 138 (Pt. 7) 42

EC-3109. A communication from the Solicitor of the United States Commission on Civil Rights, transmitting, pursuant to law, the annual report of the Commission under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC-3110. A communication from the Deputy Secretary of Education, transmitting, pursuant to law, final regulations—Assistance for Local Educational Agencies in Areas Affected by Federal Activities and Arrangements for Education of Children where Local Educational Agencies Cannot Provide Free Suitable Public Education; to the Committee on Labor and Human Resources.

EC-3111. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, a report on literacy and education needs in public and Indian housing; to the Committee on Labor and Human Resources.

EC-3112. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the 1991 Annual Report on the National Institites of Health AIDS Research Loan Repayment Program; to the Committee on Labor and Human Resources.

EC-3113. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a revised National Strategic Research Plan for Balance and the Vestibular System and Language and Language Impairments; to the Committee on Labor and Human Resources.

EC-3114. A communication from the Chairman of the Board of the Student Loan Marketing Association, transmitting, pursuant to law, the annual report of the Association for calendar year 1991; to the Committee on Labor and Human Resources.

EC-3115. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final priorities for certain new direct grant awards under the Office of Special Education Programs; to the Committee on Labor and Human Resources.

EC-3116. A communication from the Secretary of Veterans Affairs, transmitting, pursuant to law, the annual report of the Secretary of Veterans Affairs for fiscal year 1991; to the Committee on Veterans' Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-324. A resolution adopted by the Senate of the State of Alaska to the Committee on Appropriations.

"SENATE RESOLVE NO. 8

"Whereas the United States Geological Survey Volcano Hazards Program in the Department of Interior, through its Alaska Volcano Observatory, provides warnings and advisories concerning impending and ongoing volcanic eruptions in Alaska to business, government, and the public; and

Whereas these warnings and advisories save lives and property in Alaska and in aircraft flying over Alaska; and

"Whereas the future of Alaska depends upon a safe environment for business and commerce and a growing role as a stopping place for the world's airlines; and

"Whereas the airline industry has voiced its concern about proper monitoring of Alaska's volcanoes; and

"Whereas Alaska contains most of the hazardous volcanoes in the United States; and

"Whereas the Alaska Volcano Observatory is the only source of volcano hazard expertise in Alaska;

"Be it resolved that the Alaska Senate respectfully requests the United States Congress to restore funding in fiscal year 1993 for the Alaska Volcano Observatory to the 1992 level, and to appropriate sufficient additional funds to include the heavily traveled Aleutian region in the volcano monitoring effort; and

"Be it further resolved that the Alaska Senate respectfully requests the Department of Interior to include the Alaska Volcano Observatory in its budget for the U.S. Geological Survey Volcano Hazards Program at a level that provides for the safety of the public and commerce in Alaska."

POM-325. A concurrent resolution adopted by the General Assembly of the State of Iowa; to the Committee on Appropriations.

"SENATE CONCURRENT RESOLUTION NO. 110

"Whereas, breast cancer strikes one in nine women in the United States today, and it is estimated that breast cancer has taken the lives of 44,500 women in 1991 alone; and

"Whereas, in 1992, an estimated 2,300 women in Iowa will be diagnosed with breast cancer and 600 will die; and

"Whereas, there has been a 3 percent increase in the incidence of breast cancer since 1980; and

"Whereas, while the incidence of breast cancer is highest among older women, the incidence is rapidly increasing in women under 40, making breast cancer a concern for women of all ages; and

"Whereas, while it is known what characteristics place some women at greater risk for developing breast cancer, experts still do not completely understand the cause of breast cancer or how to prevent its occurrence; and

"Whereas, despite advancements in detection and treatment methods, the mortality rate from breast cancer has remained essentially unchanged; and

"Whereas, screening mammography plays a vital role in early diagnosis when breast cancer is in the most curable state; and

"Whereas, low income, minority status, and lack of health insurance affect the ability of many women to obtain screening services, making it more likely they will not be diagnosed until in the advanced stages of breast cancer, significantly reducing their chances of survival; Now, therefore,

"Be it resolved by the Senate, the House of Representatives concurring, That the General Assembly supports efforts to promote early detection of and effective treatment modalities for breast cancer in Iowa.

"Be it further resolved, That the General Assembly urges the Congress of the United States to enact legislation to ensure adequate funds to advance efforts to find a cure and effective preventive measures for breast cancer.

"Be it further resolved, That the Secretary of the Senate send copies of this Resolution to the Governor of the State of Iowa, to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, to the Secretary of the United States Senate, to the Chief Clerk of the United States House of Representatives, to each member of the Iowa congressional delegation, and to the presiding officer of each house of the legislature in each state in the union."

POM-326. A resolution adopted by the Senate of the General Assembly of the State of Connecticut; to the Committee on Armed Services.

"SENATE RESOLUTION NO. 5

"Resolved by the Senate:

"Whereas, the Seawolf is our first line of defense and discontinuance of the Seawolf program is being considered by President Bush, Defense Secretary Cheney and the Congress; and

"Whereas, shutting down the Seawolf program will, in addition to crippling our security program, result in the loss of thousands of Connecticut jobs at a time when our economy is already suffering from excessive unemployment; and

"Whereas, members of Connecticut's Congressional delegation are leading the drive to convince President Bush, Secretary Cheney and Congress to continue the Seawolf program; and

"Whereas, discontinuance of the Seawolf program will mean that our country will lose the technological and production capabilities which have made the American submarine program the envy of the world; and

"Whereas, the men and women of Electric Boat are conducting a petition drive calling on President Bush, Secretary Cheney and the Congress to continue the Seawolf program.

"Now, therefore, be it resolved, That the Connecticut State Senate joins in and supports the efforts of the Connecticut Congressional delegation and the men and women of Electric Boat to save the Seawolf program; and

"Be it further resolved, That copies of this resolution be forwarded to President Bush, Secretary Cheney, the members of the Armed Services and Appropriations Committees of the United States Congress and to the members of the Connecticut Congressional delegation."

POM-327. A resolution adopted by the Academic Senate of California State University, Hayward opposing the Department of Defense's discriminatory practices in the Reserve Officers Training Corps; to the Committee on Armed Services.

POM-328. A resolution adopted by the New York State Nurses Association commending the outstanding service and contribution rendered by New York state military nurses; to the Committee on Armed Services.

POM-329. A resolution adopted by the Senate of the State of Florida; to the Committee on Armed Services.

"SENATE MEMORIAL NO. 8F

"Whereas, the United States Government is proposing to severely reduce the number of National Guard units serving this country, and

"Whereas, the Department of Defense has specifically recommended eliminating several distinguished Florida National Guard units, and

"Whereas, Florida National Guard units have served the United States of America and Florida as an intrinsic, cost-effective component of the military and civil defense forces, and

"Whereas, Florida National Guard units have played important roles in military actions since 1636, when the first Spanish militia units were formed in St. Augustine, and

"Whereas, most recently, Florida National Guard units were vital components of Operation Desert Storm, and

"Whereas, the Florida National Guard is active in the war on drugs, both in this state and throughout this hemisphere, and

"Whereas, National Guard troops and armories are a significant part of the communities in which they are located, and

"Whereas, these Florida units should continue to be able to serve their state and their country in times of peace and war, Now, therefore,

"Be It Resolved by the Legislature of the State of Florida: That the Congress of the United States is urged, when debating restructuring of the Armed Forces, to consider a balanced approach to the force reductions brought about by the end of the cold war; to consider the impact of the National Guard as a component of the state's civil defense forces; to consider the consequences to the economic recovery of communities that host National Guard units; and to honor the dedication and sacrifice made by our citizen soldiers.

"Be it further resolved, That copies of this memorial be dispatched to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of the Florida delegation to the United States Congress."

POM-330. A joint resolution adopted by the General Assembly of the Commonwealth of Virginia; to the Committee on Armed Services.

"SENATE JOINT RESOLUTION NO. 159

"Whereas, as part of its force reduction, the National Guard Bureau has selected the 276th Engineer Battalion of the Virginia National Guard for deactivation during 1992; and

"Whereas, given recent events in Eastern Europe and elsewhere, such a force reduction effort is both appropriate and necessary; and

"Whereas, the decision to make one of the best units among the first to be eliminated is nevertheless highly questionable; and

"Whereas, the 276th Engineer Battalion is clearly one of the best, recently named by the U.S. First Army as the best of the twelve such units in the First Army area; and

"Whereas, the 276th Engineer Battalion is also one of the oldest in the nation, tracing its linkage back to the First Virginia Regiment, once commanded by George Washington and Patrick Henry; and

"Whereas, this clearly superior and historic unit has performed yeoman service to the citizens of Virginia as the single most capable and effective unit in the state to respond to civil emergencies caused by floods and other natural disasters; and

"Whereas, the 276th Engineer battalion has served the citizens of the Commonwealth in diverse and valuable ways and in all areas of the state; and

"Whereas, the Governor of Virginia, L. Douglas Wilder, has expressed serious reservations regarding the decision to eliminate the 276th Engineer Battalion; now, therefore, be it

"Resolved by the Senate, the House of Delegates concurring. That the General Assembly hereby strongly urge the reconsideration of the decision to eliminate the 276th Engineer Battalion as part of the nationwide force reduction program; and, be it

"Resolved further, That the Clerk of the Senate transmit copies of this resolution to the President of the United States, the Speaker of the House of Representatives, the President of the United States Senate, the members of the Virginia Congressional delegation, the United States Secretary of Defense, the Secretary of the Army, and the Chief of the National Guard Bureau so that they may be apprised of the sense of the General Assembly of Virginia."

POM-331. A joint resolution adopted by the Legislature of the State of Maine; to the Committee on Armed Services.

"JOINT RESOLUTION

"Whereas, the movement toward democratization in Eastern Europe and the reconstruction of the Soviet Union into the Commonwealth of Independent States has been truly historic and promises to open a new chapter between East and West as the current climate in international relations is conducive to cooperation and continuing the relaxation of tensions; and

"Whereas, traditional defense postures, strategies and commitments should be reevaluated in light of the change of events; and

"Whereas, power in today's world is increasingly measured in terms of a balance of economic, humanitarian and military power and as during the 1980's, the United States was transformed from the world's largest creditor nation into the world's largest debtor nation; and

"Whereas, the policies of the 1980's relied upon a massive peacetime military buildup and a consequent federal disinvestment in important domestic programs concerning housing, economic and community development, the environment, education, transportation and the basic social and physical infrastructure of our society; and

"Whereas, local elected officials and state governments have consistently urged Congress and the administration to set its fiscal house in order while balancing its budgetary priorities to address the crucial domestic needs of this nation and achieve significant reductions in debt and deficit spending and reasonable military spending without compromising our national military security; now, therefore, be it

"Resolved: That We, you Memorialists, endorse economic diversification and conversion legislation and long-term national strategy that includes a comprehensive plan preparing defense-related industries, bases and laboratories to diversify and convert to civilian production with a minimum loss of jobs; provides economic adjustment assistance to workers and businesses in the defense industry; and provides grants to local and state governments to aid communities that would be severely impacted by cuts in defense expenditures; and be it further

"Resolved: That We, your Memorialists, respectfully recommend and urge the President and the Congress of the United States to reorder their budgetary priorities in a way that addresses the key urban and rural problems facing our nation, including a commitment to quality education, environmental protection, winning the war on drugs, economic health and opportunity, affordable health care and housing, infrastructure repair and maintenance and viable public transportation systems; and be it further

"Resolved: That suitable copies of this Memorial, duly authenticated by the Secretary of State, be transmitted to the Honorable George H. W. Bush, President of the United States, to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States and to each Member of the Maine Congressional Delegation."

POM-332. A joint resolution adopted by the Legislature of the State of Maine; to the Committee on Armed Services.

"JOINT RESOLUTION

"Whereas, the Department of the Navy has maintained a shipyard at Kittery, Maine since June 12, 1800; and

"Whereas, the United States Naval Shipyard at Kittery has performed in an exemplary manner throughout its almost 2 centuries of history; and

"Whereas, the Kittery shipyard is one of the most up-to-date facilities available in the United States for the repair, overhauling and refueling of naval vessels; and

"Whereas, the communities located near the Kittery yard in Maine, New Hampshire and Massachusetts offer an abundance of highly trained, skilled and experienced workers who have an outstanding work ethic; and

"Whereas, the State of Maine is firmly committed to actively supporting the continuation of the United States Navel Shipyard at Kittery; now, therefore, be it

"*Resolved:* That We, your Memorialists, respectfully recommend and urge the Congress of the United States to continue to operate, develop and diversify the United States Naval Shipyard at Kittery, Maine; and be it further

"*Resolved:* That we further urge the Congress of the United States to take all necessary action to ensure that the Kittery shipyard remains an integral component in a post-Cold War defense strategy; and be it further

"*Resolved:* That suitable copies of this Memorial, duly authenticated by the Secretary of State, be transmitted to the Honorable George H. W. Bush, President of the United States, to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States and to each Member of the Maine Congressional Delegation."

POM-333. A joint resolution adopted by the Legislature of the State of Maine; to the Committee on Armed Services.

"JOINT RESOLUTION

"Whereas, the Department of the Navy has maintained a shipyard at Kittery, Maine since June 12, 1800; and

"Whereas, the United States Naval Shipyard at Kittery has performed in an exemplary manner throughout its almost 2 centuries of history; and

"Whereas, the Kittery shipyard is one of the most up-to-date facilities available in the United States for the repair, overhauling and refueling of naval vessels; and

"Whereas, the communities located near the Kittery yard in Maine, New Hampshire and Massachusetts offer an abundance of highly trained, skilled and experienced workers who have an outstanding work ethic; and

"Whereas, the State of Maine is firmly committed to actively supporting the continuation of the United States Naval Shipyard at Kittery; Now, therefore, be it

"*Resolved:* That We, your Memorialists, respectfully recommend and urge the Congress of the United States to continue to operate, develop and diversify the United States Naval Shipyard at Kittery, Maine; and be if further

"*Resolved:* That we further urge the Congress of the United States to take all necessary action to ensure that the Kittery shipyard remains an integral component in a post-Cold War defense strategy; and be it further

"*Resolved:* That suitable copies of this Memorial, duly authenticated by the Secretary of State, be transmitted to the Honorable George H. W. Bush, President of the United States, to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States and to each Member of the Maine Congressional Delegation."

POM-334. A resolution adopted by the Senate of the State of Georgia; to the Committee on Banking, Housing and Urban Affairs.

"SENATE RESOLUTION 429

"Whereas, the 1988 amendments to the federal Fair Housing Act expressly prohibited discriminatory housing practices against individuals with handicaps and required that future multifamily dwellings be accessible and adaptable to the needs of persons with mobility impairments or physical disabilities; and

"Whereas, the 1988 amendments greatly expanded the number of younger mentally and physically handicapped persons who qualify for residency in housing which was previously seniors—only housing; and

"Whereas, in many previously safe senior citizen communities, the elderly residents feel terrorized and threatened by persons who could present a physical danger to them; and

"Whereas, the special housing needs of the mentally handicapped and physically disabled are specifically recognized and protected under the Fair Housing Act, but the act should also ensure the adequate protection and safety of older persons and permit certain public housing to be limited to seniors only.

"Now, therefore, be it resolved by the Senate, That the members of this body urge the United States Congress to amend the federal Fair Housing Act to permit certain public housing to be limited to seniors only.

"Be it further resolved, That the Secretary of the Senate is authorized and directed to transmit an appropriate copy of this resolution to the Secretary of the Senate of the United States Congress, to the Clerk of the House of Representatives of the United States Congress, and to each member of the Georgia congressional delegation."

POM–335. A joint resolution adopted by the Legislature of the State of Colorado; to the Committee on Commerce, Science and Transportation.

"SENATE JOINT RESOLUTION 92–4

"Whereas, The electromagnetic spectrum, as managed by the federal government, is of vital importance and a national resource for public, as well as private, sector radio frequency needs; and

"Whereas, Electromagnetic spectrum resources are utilized at the state and local level as a reliable means of communication in matters of public safety and interest, such as state and local law enforcement operations and emergency responders; and

"Whereas, Public utilities have made substantial investments in facilities and equipment necessary for accessing the allocated frequencies assigned to them in the electromagnetic spectrum, such investments having been made in recognition of the limitations of alternative methods of transmission for public purposes; and

"Whereas, The United States Congress, the Federal Communications Commission, and the National Telecommunications and Information Administration are in the process of examining current and future radio frequency spectrum requirements and uses, including the possibility of allocating part of current frequencies for emerging technologies, forcing radio frequencies currently allocated to state and local government and public utility uses to be shared with such emerging technologies; and

"Whereas, The potential cost to public utilities alone in Colorado to relocate radio frequencies to other technologies as a result of such federal actions could reach approximately one hundred twenty-six million dollars, with a total cost nationally rising to over eight hundred million dollars, with collective investments of existing users approaching four billion dollars; now, therefore,

"Be it resolved by the Senate of the fifty-eighth General Assembly of the State of Colorado, the House of Representatives concurring herein:

"(1) That, in view of the limitations of the radio frequency spectrum, management reforms should be instituted to improve the current allocation and frequency assignment process, with such process being weighted toward relative merit of intended use and not random chance or financial ability, with access being provided to all users of the spectrum.

"(2) That proposals allowing developing technologies to share the same bandwidth presently utilized by state and local government and public utilities should not be adopted until such time as transmission can sufficiently be assured to avoid signal interference with public users.

"(3) That the General Assembly opposes any effort to provide additional frequency by means of reallocating what is currently allocated for state and local government and public utility uses until such time as the impact on current users is adequately addressed at the federal level.

"(4) That the General Assembly urges the United States Congress to hold public oversight hearings as soon as possible on Federal Communications Commission and National Telecommunications and Information Administration activities in the area of radio spectrum management.

"Be it further resolved, That copies of this Resolution be sent to the Honorable Dan Quayle, the President of the United States Senate; the Honorable Thomas Foley, the Speaker of the United States House of Representatives; and to Colorado's delegation in the United States Congress."

POM–336. A joint resolution adopted by the Legislature of the State of Maine; to the Committee on Energy and Natural Resources.

"JOINT RESOLUTION

"Whereas, women are an integral and important part of the military; and

"Whereas, over 1,600,000 women have served in the nation's armed forces; and

"Whereas, there is a need to honor women for their fine performance in and outstanding contributions to the nation's armed forces throughout history; and

"Whereas, the Members of the Legislature and the people of the State of Maine have the greatest pride in the women of the United States Armed Forces and support them in their efforts; now, therefore, be it

"Resolved: That We, your Memorialists, support the Congress of the United States in its efforts to construct a memorial to the women who have served in the United States Armed Forces and respectfully urge and request that the Congress of the United States provide funding for the project; and be it further

"Resolved: That suitable copies of this Memorial, duly authenticated by the Secretary of State, be transmitted to the Honorable George H. W. Bush, President of the United States; the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States; the secretary of Defense; the Honorable John R. McKernan, Jr., Governor of the State of Maine; and each member of the Maine Congressional Delegation."

POM–337. A joint resolution adopted by the Legislature of the State of Washington; to the Committee on Energy and Natural Resources.

"SUBSTITUTE SENATE JOINT MEMORIAL 8024

"Whereas, The timber industry in the State of Washington is in serious economic decline; and

"Whereas, Timber jobs, which support the communities, families, and related businesses, are in jeopardy due to altered policies caused by the program for the protection of the spotted owl and changes in the timber industry; and

"Whereas, Timber which has been blown down in several national forests in this state can be salvaged and consists of an estimated total of seventy million one hundred thirty thousand board feet; and

"Whereas, A carefully supervised removal of downed trees using environmentally sound silviculture methods can produce timber for local mills while at the same time leaving an undamaged old growth forest; and

"Whereas, Some logs can be left to decay and contribute to rich, fresh soil; and

"Whereas, Careful removal of the timber using existing roads will reduce the potential for extensive bug infestation and major wildfires that could damage the forest; and

"Whereas, Salvage sales could provide fifteen to twenty jobs per million board feet of salvaged timber; and

"Whereas, The sales are supported by the Governor's Timber Policy Team as well as the legislature;

"Now, therefore, Your Memorialists respectfully pray that the President and Congress pass legislation authorizing the United States Forest Service to offer salvage sales of blown down timber in the Pacific Northwest National Forests allowing the state to reap the economic and environmental benefits.

"*Be it resolved*, That copies of this Memorial be immediately transmitted to the Honorable George Bush, President of the United States, the United States Forest Service, the President of the United States Senate, the Speaker of the House of Representatives, and to each member of Congress from the State of Washington."

POM–338. A joint resolution adopted by the Legislature of the State of Colorado; to the Committee on Energy and Natural Resources.

"SENATE JOINT RESOLUTION 92–9

"Whereas, There is currently pending before the United States Congress legislation to establish wilderness areas in Colorado; and

"Whereas, The benefits of designating wilderness areas must be balanced against the consequences of such designation upon the economic and social welfare of the citizens of Colorado; and

"Whereas, The designation of wilderness areas may significantly affect the economic health of this state by adversely impacting private and public property interests and rights in land, water, and mineral resources, by establishing barriers to access to such property interests, by preempting existing private property rights, and in other ways; and

"Whereas, Readily available and reliable water supplies are absolutely vital to the health and economic development of the people of this state; and

"Whereas, Uncertainty relative to the existence of implied federal reserved water rights for existing and new wilderness areas clouds property titles, discourages natural resources management and development, and

disrupts the State's water rights administration system, resulting in economic stagnation and unproductive litigation; and

"Whereas, Federal reserved water rights for wilderness areas in Colorado are inconsistent with the right and ability of Colorado to effectively manage and fully utilize the valuable water resources allocated to it by interstate compacts and equitable apportionment decrees; and

"Whereas, The laws of Colorado and the instream flow program of the Colorado Water Conservation Board are adequate to protect water resource values in wilderness areas in Colorado; and

"Whereas, National forest lands are foreclosed from multiple use while they retain a wilderness study status, resulting in loss of economic and recreational opportunities, and sufficient time has passed for study of the suitability of such lands for wilderness designation; and

"Whereas, Congress is considering S. 1029 which represents a legitimate and good-faith balancing of the issues involved in the designation of wilderness, and the compromise inherent in S. 1029 cannot and should not be changed without destroying the consensus which supports this legislation; and

"Whereas, S. 1029 will result in the designation of an area larger than the entire state of Rhode Island as wilderness; and

"Whereas, The opposition to S. 1029 by extremists on both sides of the issue should not be allowed to jeopardize this unique opportunity for a resolution of this important issue; now, therefore,

"*Be It Resolved by the Senate of the Fifty-eighth General Assembly of the State of Colorado, the House of Representatives concurring herein*:

"That Congress is urged to adopt only such wilderness legislation as embodies the following principles:

"(1) Wilderness legislation must fully protect private property rights;

"(2) Boundaries for wilderness areas must be drawn so as to include only those areas which are suitable for such designation, while excluding conflicting uses within such boundaries to the extent possible;

"(3) Reasonable rights of access for private property must be reconfirmed and maintained;

"(4) Federal reserved water rights for all existing and new wilderness areas must be expressly disclaimed;

"(5) Water resource values in wilderness areas in this state should be protected through the Colorado instream flow program;

"(6) The designation of wilderness areas should not interfere with state water allocation and administration, or limit existing or future development and use of Colorado's interstate water allocations; and

"(7) Public lands which have been studied for possible designation as wilderness areas and which are not being designated as wilderness areas at this time should be released from study status and returned to multiple use.

"*Be It Further Resolved*, That copies of this resolution be transmitted to the Speaker of the United States House of Representatives, the President of the United States Senate, each Member of Congress from the State of Colorado, the Chairman of the United States Senate Energy and Natural Resources Committee, and the Chairman of the Committee on Interior and Insular Affairs of the United States House of Representatives."

POM–339. A resolution adopted by the House of Representatives of the State of Illinois; to the Committee on Finance.

"HOUSE RESOLUTION NO. 1546

"Whereas, for years, revenue sharing programs of the United States government have returned tax dollars to State and local governments for use in fulfilling a variety of capital, service and project needs; and

"Whereas the reduction and elimination of revenue sharing programs have withdrawn a source of State and local government funding at a time when these entities' other financial resources are dwindling; and

"Whereas Illinois and its units of local government are suffering the loss of revenue sharing monies while forced to bear the consequences of decreased federal programs and services; therefore be it

"*Resolved, by the House of Representatives of the Eighty-seventh General Assembly of the State of Illinois*, That we urge reinstatement by the federal government of revenue sharing programs and that we strongly support the necessary presidential and congressional action required to return much needed funds to the State and local governments; and be it further

"*Resolved*, That suitable copies of this resolution be presented to the President of the United States, the President Pro Tempore of the United States Senate, the Speaker of the United States House of Representatives and each member of the Illinois congressional delegation."

POM–340. A joint resolution adopted by the Legislature of the State of Maine; to the Committee on Finance.

"JOINT RESOLUTION

"Whereas, current federal law provides for the elimination of the tax-exempt status for small issue industrial development bonds sold by states to provide capital at reduced interest rate for establishment and expansion of manufacturing enterprises; and

"Whereas, the availability of small issue industrial development bonds is critical to the economic development of Maine, providing expansion, diversification of the manufacturing sector and quality jobs, protecting industry from foreign competition and encouraging productivity, capacity and quality critical to the long-term stability of the State's manufacturing base, and

"Whereas, in the past 7 years, small issue industrial development bonds resulted in investments of approximately $500,000,000 in Maine and the retention or creation of over 35,000 jobs in the State and enhanced the tax base of municipalities throughout the State; and

"Whereas, issuance of small issue industrial development bonds for United States manufacturers is an important investment in protecting and strengthening United States manufacturing entities, providing quality jobs, helping to ensure that jobs are retained in the United States and not exported overseas, and assisting in reducing the trade deficit; now, therefore, be it

"*Resolved*, That We, your Memorialists, respectfully urge and request that the United States Congress enact legislation forthwith to eliminate the pending sunset on small issue bonds under Section 144 of the Internal Revenue Code of 1986, as amended, so that no interruption in the availability of small issue industrial development bonds occurs; and be it further

"*Resolved*, That suitable copies of this Memorial, duly authenticated by the Secretary of State, be transmitted to the Honorable George H. W. Bush, President of the United States, the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, and to each Member of the Maine Congressional Delegation."

POM–341. A concurrent resolution adopted by the Legislature of the State of Michigan; to the Committee on Finance.

"SENATE CONCURRENT RESOLUTION NO. 395

"Whereas Michigan may be assessed $12–13 million by the Internal Revenue Service in excise surtaxes on DTP (diphtheria, tetanus, and pertussis) vaccines it manufactures and provides to local health departments free of charge for infants and children; and

"Whereas Massachusetts also produces its own vaccines for infants and children and has been assessed millions of dollars in federal excise taxes (FET); and

"Whereas the state of Michigan does not directly use or sell these vaccines, but gives them to local health departments or through other public programs which, in turn, administer them or give them to doctors to administer them; and

"Whereas charging the state $4.56 per dose for supplying these life-saving vaccines is clearly bad public policy; and

"Whereas many parents could not have their children vaccinated without this valuable program; and

"Whereas the state provides this service at no cost to the federal government; and

"Whereas Congress has appropriated funds which may be utilized by the states of Michigan and Massachusetts for the partial payment of the excise tax claimed due; and

"Whereas these appropriations only cover forty percent of the tax liability; now, therefore, be it

"*Resolved by the Senate (the House of Representatives concurring)*, That we memorialize the Congress of the United States to take further action to assist these states in this worthwhile endeavor by specifically exempting Michigan and Massachusetts from the federal excise tax on vaccine production when the vaccines are provided free of charge to local health departments or alternatively to increase the funds appropriated to assist these states so that the full tax liability is covered; and be it further

"*Resolved*, That a copy of his resolution be transmitted to the President of the United States Senate, the Speaker of the House of Representatives, and the members of the Michigan and Massachusetts congressional delegations."

POM–342. A concurrent resolution adopted by the Legislature of the State of Texas; to the Committee on Governmental Affairs.

"HOUSE CONCURRENT RESOLUTION

"Whereas, nearly 30 years after the event, the assassination of President John F. Kennedy on November 22, 1963, continues to stand as one of the most troubling chapters in our nation's history; and

"Whereas, immediately following the assassination, the Warren Commission was established under the direction of then Supreme Court Chief Justice Earl Warren to inquire into the circumstances surrounding the president's murder; in its final report issued in 1964, the commission concluded that Kennedy's death was the work of a lone assassin, Lee Harvey Oswald, who himself had been killed by Dallas nightclub owner Jack Ruby two days after the president's demise; and

"Whereas, since that time, a number of scholars and legal experts have contended that the Warren Commission ignored vital evidence, kept relevant documents secret, and published a report contradictory to

many of the known facts of the case; continuing questions about the assassination eventually led to the creation of the House Select Committee on Assassinations, a 12-member panel established by house resolution in 1976 and specifically charged with investigating the circumstances of President Kennedy's assassination, as well as those of other political murders; and

"Whereas, on December 30, 1978, the committee released a statement to the press concluding that President Kennedy "was probably assassinated as a result of conspiracy"; at the same time, it recommended that the Justice Department review its findings to determine "whether further official investigation is warranted"; and

"Whereas, despite the committee's strongly worded statement, its actual report, issued six months later, was held by many critics to reflect serious shortcomings in the investigation; experts who have reviewed the lengthy document have questioned whether the published report accurately represented the evidence and testimony presented to the committee; and

"Whereas, contributing to this climate of distrust is the fact that a substantial number of documents used by both the Warren Commission and the House Select Committee on Assassinations have never been released for public inspection; the failure to disclose such evidence, particularly disputed autopsy photographs, has been seen by many citizens as an effort to obscure the facts surrounding the president's death; and

"Whereas, only in an atmosphere of full disclosure can the questions regarding this tragic event be finally put to rest; we owe it to ourselves, and to all citizens of this land, to seek the truth with the openness and honesty that justice demands; now, therefore, be it

"*Resolved*, That the 72nd Legislature of the State of Texas, 3rd Called Session, 1992, hereby request the Congress of the United States to immediately make public all files pertaining to the assassination of President John F. Kennedy used by the Warren Commission and the House Select Committee on Assassinations; and be it further

"*Resolved*, That if certain files cannot be made public, Congress be requested to prepare a report explaining specifically why individual documents must be withheld; and, be it further

"*Resolved*, That the Texas secretary of state forward official copies of this resolution to the president of the United States, to the speaker of the United States house of representatives, to the president of the senate of the United States Congress, and to all members of the Texas delegation to Congress, with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States."

POM-343. A resolution adopted by the Legislature of the State of New Mexico; to the Committee on the Judiciary.

"SENATE MEMORIAL 27

"Whereas, Freedom of Speech is a cherished right conferred by the First Amendment to the Constitution of the United States; and

"Whereas, the guarantee of Freedom of Speech is not absolute but must be balanced against threats to the National peace and to the maintenance of local order; and

"Whereas, the American Flag is a cherished symbol of our Nation's history and the struggle for liberty, freedom and justice in our world, and the desecration of that Flag is the desecration of those basic ideals upon which our Country is based; and

"Whereas, the American Flag has symbolized hope for a brighter future and a chance for equal justice and opportunity for all; and

"Whereas, the American Flag has rallied our troops in times of peril and overwhelming odds; and

"Whereas, Americans have died defending the Freedoms represented by the Flag, and in their honor the dignity of the Flag should not be demeaned, but the Flag should be treated with respect; and

"Whereas, the American Flag symbolizes our National unity and inspires others to pursue the goals of Democracy, Liberty and Justice;

"Now, therefore, be it resolved by the Senate of the State of New Mexico that the United States Congress be requested to propose an Amendment to the Constitution of the United States to be ratified by the States specifying that Congress and the States shall have the power to prohibit the physical desecration of the Flag of the United States; and

"Be it further resolved that copies of this Memorial be transmitted to the Speaker of the United States House of Representatives, the President Pro Tempore of the United States Senate and all members of the New Mexico Congressional Delegation."

POM-344. A resolution adopted by the Vermont Democratic Party opposing the forcible repatriation of the Haitian refugees and favoring temporary protected status for the refugees; to the Committee on the Judiciary.

POM-345. A joint resolution adopted by the Legislature of the State of Wisconsin; to the Committee on the Judiciary.

JOINT RESOLUTION 27

"Whereas, although the right of free expression is part of the foundation of the United States constitution, very carefully drawn limits on expression in specific instances have long been recognized as legitimate means of maintaining public safety and decency, as well as orderliness and productive value of public debate; and

"Whereas, certain actions, although arguably related to one person's free expression, nevertheless raise issues concerning public decency, public peace, and the rights of expression and sacred values of others; and

"Whereas, there are symbols of our national soul such as the Washington monument, the United States capitol building, and memorials to our greatest leaders, which are the property of every American and are therefore worthy of protection from desecration and dishonor; and

"Whereas, the American flag to this day is a most honorable and worthy banner of a nation which is thankful for its strengths and committed to curing its faults, and remains the destination of millions of immigrants attracted by the universal power of the American ideal; and

"Whereas, the law as interpreted by the United States supreme court no longer accords to the stars and stripes that reverence, respect and dignity befitting the banner of that most noble experiment of a nation-state; and

"Whereas, it is only fitting that people everywhere should lend their voices to a forceful call for restoration to the stars and stripes of a proper station under law and decency; now, therefore, be it

"Resolved by the assembly, the senate concurring, That the legislature of the state of Wisconsin proposes to the congress of the United States that procedures be instituted in the congress to add a new article to the constitution of the United States, and that the state of Wisconsin requests the congress to prepare and submit to the several states an amendment to the constitution of the United States, prohibiting the physical desecration of the flag of the United States; and, be it further

"Resolved, That a duly attested copy of this joint resolution be immediately transmitted to the president and secretary of the senate of the United States, to the speaker and clerk of the house of representatives of the United States, to each member of the congressional delegation from this state, and to the presiding officer of each house of each state legislature in the United States, attesting the adoption of this joint resolution of the 1991 legislature of the state of Wisconsin."

POM-346. A joint resolution adopted by the Legislature of the State of Vermont; to the Committee on the Labor and Human Resources.

"JOINT RESOLUTION 74

"Whereas, every 12 minutes a woman dies of breast cancer in the United States, and

"Whereas, the National Cancer Institute estimates that approximately one in ten American women can expect to contract breast cancer during her lifetime, and

"Whereas, 44,500 American women died from breast cancer in 1991, and

"Whereas, approximately 100 Vermont women die from breast cancer each year, and

"Whereas, during the 1980's funding for federal cancer research decreased by six percent in real dollars overall and as much as 34 percent in some programs, and

"Whereas, in 1990, less than five percent of all federal cancer research dollars were targeted for breast cancer research, and

"Whereas, despite over 20 years of great concern and rhetoric about fighting the war on cancer in the United States, the amount of breast cancer research has not been commensurate with the need that statistics indicate and there is still no certain cure for, or known cause of, breast cancer, and

"Whereas, increased federal and state commitments to breast cancer prevention and cure will in the long run not only save millions of women's lives but also reduce the economic costs associated with the disease, now therefore be it

"Resolved by the Senate and House of Representatives:

"That the General Assembly declares and directs the Governor to designate that Mother's Day 1992 shall also be a date of remembrance and recovery and a day of resolution to join in the fight against breast cancer, and be it further

"Resolved: That the General Assembly strongly urges the United States Congress to enact legislation recommending that the Secretary of Health and Human Services declare breast cancer a public health emergency for the purpose of accelerating investigation into its cause, treatment, and prevention, and urge the President of the United States to sign the legislation into law, and be it further

"Resolved: That the Secretary of State transmit copies of this resolution to the Governor of the State of Vermont, to the President and Vice-President of the United States, to the Speaker of the United States House of Representatives, to the President [I[Pro Tempore]I] of the United States Senate, to each Senator and Representative from Vermont in the Congress of the United States, to the Chief Clerk of the United

States House of Representatives, to the Secretary of the United States Senate, and to the presiding officer of each of the other states' Houses in the Union."

POM-347. A joint resolution adopted by the Legislature of the State of Maine; to the Committee on the Veterans' Affairs.

"JOINT RESOLUTION

"Whereas, there will be an event commemorating the 10th anniversary of the Vietnam Veterans Memorial in Washington, D.C. from November 7 to November 11, 1992; and

"Whereas, this event will present an opportunity for our nation, which was too long divided over the Vietnam War, to join together in remembrance and reflection and to honor those who lost their lives in that conflict; and

"Whereas, the Legislature and the people of the State of Maine wish to express their support for this commemoratory event; now, therefore, be it

"Resolved: That We, the Members of the One Hundred and Fifteenth Legislature of the State of Maine, now assembled in the Second Regular Session, pause in our deliberations to express our support for the event recognizing the 10th anniversary of the Vietnam Veterans Memorial; and be it further

"Resolved: That suitable copies of this Joint Resolution, duly authenticated by the Secretary of State, be transmitted to the Honorable George H. W. Bush, President of the United States; the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States; each Member of the Maine Congressional Delegation; Jan Craig Scruggs, President of the Vietnam Veterans Memorial Fund; and Barbara Bush, Honorary Chair of the Vietnam Veterans Memorial 10th Anniversary Advisory Committee."

POM-348. A joint resolution adopted by the Legislature of the State of Maine; to the Committee on the Veterans' Affairs.

"JOINT RESOLUTION

"Whereas, there exists a gross inequity in the federal statutes that denies disabled career military retirees the right to receive Veterans Administration disability compensation concurrently with the receipt of earned retirement pay due on the basis of 20 or more years of service in the Armed Forces of the United States; and

"Whereas, the career military retiree is the only government employee who is now required to waive a portion or all of the retiree's earned retirement pay in order to receive Veterans Administration disability compensation due for loss of earning capacity and for pain and suffering as a result of a service-connected disability; and

"Whereas, a change in the federal statutes is required to ensure equitable treatment for the many disabled career military retirees who served this country faithfully and with dedication for at least 20 years and now bear the burden of loss of earning capacity and endure pain and suffering as a result of their service-connected disability; and

"Whereas, the prevailing idea that military retirement pay is free is false. There is an important contribution to retirement pay that is calculated to reduce military pay by approximately 7% when pay, base and allowance, are computed and approved by Congress; and

"Whereas, traditionally, a career military retiree receives a lower salary than the retiree's civilian counterpart; now, therefore, be it

"Resolved: That We, your Memorialists, respectfully recommend and urge the Congress of the United States to amend 38 United States Code, Section 3104(a) to permit veterans with service-connected disabilities and who are retired members of the United States Armed Forces to receive Veterans Administration service-connected disability compensation with earned longevity retirement pay without deduction from either; and be it further

"Resolved: That suitable copies of this Memorial, duly authenticated by the Secretary of State, be transmitted to the Honorable George H.W. Bush, President of the United States, to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, and to each Member of the Maine Congressional Delegation."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary, without amendment:

S. 826. A bill to establish a specialized corps of judges necessary for certain Federal proceedings required to be conducted, and for other purposes (Rept. No. 102-272).

By Mr. BYRD, from the Committee on Appropriations, with an amendment in the nature of a substitute:

S. 2402. A bill to rescind certain budget authority proposed to be rescinded in a special message transmitted to the Congress by the President on March 10, 1992, in accordance with Title X of the Congressional Budget and Impoundment Control Act of 1974, as amended (Rept. No. 102-273).

By Mr. BYRD, from the Committee on Appropriations, with an amendment in the nature of a substitute and an amendment to the title:

S. 2403. A bill to rescind certain budget authority proposed to be rescinded in special messages transmitted to the Congress by the President on March 20, 1992, in accordance with Title X of the Congressional Budget and Impoundment Control Act of 1974, as amended (Rept. No. 102-274).

By Mr. BYRD, from the Committee on Appropriations, without amendment:

S. 2551. A bill to rescind certain budget authority proposed to be rescinded in a special message transmitted to the Congress by the President on April 8, 1992, in accordance with title X of the Congressional Budget and Impoundment Control Act of 1974, as amended (Rept. No. 102-275).

By Mr. BYRD, from the Committee on Appropriations, with an amendment in the nature of a substitute:

S. 2570. A bill to rescind certain budget authority proposed to be rescinded in special messages transmitted to the Congress by the President on April 9, 1992, in accordance with title X of the Congressional Budget and Impoundment Control Act of 1974, as amended (Rept. No. 102-276).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. LAUTENBERG (for himself and Mr. BRADLEY):

S. 2638. A bill to extend until December 31, 1994, the existing suspensions of duty on iohexol, iopamidol, and ioxaglic acid; to the Committee on Finance.

By Mr. NICKLES:

S. 2639. A bill to amend the Internal Revenue Code of 1986 to provide a partial exclusion of dividends and interest received by individuals; to the Committee on Finance.

By Mr. CRANSTON (by request):

S. 2640. A bill to amend title 38, United States Code, to make certain improvements in the educational assistance programs for veterans and eligible persons, and for other purposes; to the Committee on Veterans Affairs.

By Mr. MOYNIHAN (for himself, Mr. SYMMS, Mr. BURDICK, Mr. CHAFEE, Mr. SASSER, and Mr. DOMENICI):

S. 2641. A bill to partially restore obligation authority authorized in the Intermodal Surface Transportation Efficiency Act of 1992; considered and passed.

By Mr. FORD:

S. 2642. A bill to amend the Airport and Airway Improvement Act of 1982 to authorize appropriations for fiscal years 1993, 1994, 1995, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. BENTSEN (for himself, Mr. PACKWOOD, Mr. DOLE, Mr. ROCKEFELLER, Mr. DURENBERGER, Mr. RIEGLE, and Mr. CHAFEE):

S. 2643. A bill to amend title XVIII of the Social Security Act to limit modification of the methodology for determining the amount of time that may be billed for anesthesia services under such title, and for other purposes; to the Committee on Finance.

By Mrs. KASSEBAUM:

S. 2644. A bill to require the Secretary of Transportation to require passenger and freight trains to install and use certain lights for purposes of safety; to the Committee on Commerce, Science, and Transportation.

By Mr. LAUTENBERG (for himself and Mr. D'AMATO):

S. 2645. A bill to require the promulgation of regulations to improve aviation safety in adverse weather conditions, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. LUGAR (for himself, Mr. LEAHY, Mr. COCHRAN, and Mr. HEFLIN):

S. 2646. A bill to amend the Rural Electrification Act of 1936 to provide eligible rural electric borrowers with the means to secure necessary financing from private sources, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. CRANSTON (for himself, Mr. DECONCINI, and Mr. AKAKA):

S. 2647. A bill to amend title 38, United States Code, and title 10, United States Code, to revise and improve educational assistance programs for veterans and members of the Armed Forces, to improve certain vocational assistance programs for veterans, and for other purposes; to the Committee on Veterans Affairs.

By Mr. DECONCINI (for himself, Mr. D'AMATO, Mr. THURMOND, Mr. GRAHAM, Mr. DIXON, Mr. HOLLINGS, Mr. KOHL, Mr. JOHNSTON, Mr. CHAFEE, Ms. MIKULSKI, Mr. JEFFORDS, Mr. SHELBY, Mr. SANFORD, Mr. RIEGLE, Mr. WARNER, Mr. GRASSLEY, and Mr. COATS):

S.J. Res. 295. A joint resolution designating September 10, 1992, as "National D.A.R.E. Day"; to the Committee on the Judiciary.

By Mr. ADAMS (for himself, Mr. BINGAMAN, Mr. COCHRAN, Mr. COHEN,

Mr. CRANSTON, Mr. DECONCINI, Mr. DODD, Mr. GARN, Mr. GRASSLEY, Mr. JOHNSTON, and Mr. REID):

S.J. Res. 296. A joint resolution to designate the week of May 17, 1992, through May 23, 1992, as "National Senior Nutrition Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LAUTENBERG (for himself and Mr. BRADLEY):

S. 2638. A bill to extend until December 31, 1994, the existing suspensions of duty on iohexol, iopamidol, and ioxaglic acid; to the Committee on Finance.

EXTENSION OF DUTY SUSPENSIONS

• Mr. LAUTENBERG. Mr. President, I rise today to introduce a bill to suspend duties on several chemical compounds used in the manufacture of products important to the health care of many Americans. I am joined today by my friend and colleague, the senior Senator from New Jersey [Mr. BRADLEY]. A companion bill has already been introduced in the House of Representatives by Mr. FORD.

Iopamidol, iohexol and ioxaglic acid are state-of-the-art, nonionic diagnostic imaging agents—dyes injected into a patient to help physicians better visualize certain organs and tissues—primarily used in cardiology and radiology. Bristol-Meyers-Squibb cites reports which claim that these agents lessen the chances of severe and potentially life-threatening reactions by 70 to 80 percent.

Iopamidol and related nonionic contrast agents are used especially for the most fragile patients, including those with heart disease and the elderly. Nonionic contrast media, such as iopamidol, are also used in CAT scans to detect cancer and abnormalities of the anatomy, and in cardiac catheterization to diagnose life-threatening blockages of arteries and to provide vital information to heart surgeons.

This bill would suspend for 3 years the duty on these chemical compounds. According to the ITC's draft report these chemicals are not manufactured in the United States and must be imported from Italy, France, and Norway to meet United States demand. We understand that there is no opposition to this legislation from other domestic chemical companies. These imports are critical to the U.S. manufacture of these important health care products. The tariff merely adds additional costs to the manufacturing process without protecting U.S. industry.

By suspending these tariffs, we can assist in promoting the competitiveness of U.S. manufacturers and protecting the jobs of American workers who turn these imported materials into finished products. In New Jersey, 800 workers at Bristol-Meyers-Squibb are engaged in the production of the diagnostic products which are manufactured from the chemical compounds as treated in this legislation. With the duty suspension, the company expects to continue to expand its operations, which could result in the creation of new jobs.

For these reasons, I urge my colleagues to act swiftly to pass this bill. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2638

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. IOHEXOL, IOPAMIDOL, AND IOXAGLIC ACID.

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by striking out "9/30/91" and inserting "12/31/94" in each of the following headings:

(1) Heading 9902.30.64 (relating to iohexol).

(2) Heading 9902.30.65 (relating to iopamidol).

(3) Heading 9902.30.66 (relating to ioxaglic acid).

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

(c) RELIQUIDATION.—Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, upon proper request filed with the appropriate customs officer not later than 90 days after the date of the enactment of this Act, any entry of an article described in heading 9902.30.64, 9902.30.65, or 9902.30.66 of the Harmonized Tariff Schedule of the United States that was made—

(1) after September 30, 1991, and

(2) before the date that is 15 days after the date of the enactment of this Act,

shall be liquidated or reliquidated as though such entry occurred on or after the date that is 15 days after the date of the enactment of this Act.•

By Mr. NICKLES:

S. 2639. A bill to amend the Internal Revenue Code of 1986 to provide a partial exclusion of dividends and interest received by individuals; to the Committee on Finance.

EXEMPTION OF CERTAIN INTEREST AND DIVIDEND INCOME FROM TAXATION

Mr. NICKLES. Mr. President, common logic in this town is that an economic stimulus package is dead. I happen to be of the opinion that there is plenty we can do to get our economy moving again. Recently, 100 of the Nation's leading economists called on Congress and the administration to provide an economic stimulus this year. While I may not agree with every one of their suggestions, I believe they are correct in calling for action.

Among the primary factors contributing to our economic stagnation is the low savings rate among Americans. Those who create jobs depend upon investment capital which comes from people who save and invest. According to the National Center for Policy Analysis, for every $1 billion cut in taxes on investment income there will be a $25 billion increase in the output of goods and services and workers will get about $12 billion in increased after-tax wages.

Since 1975, the savings rate in the United States has dropped significantly. According to the "Economic Report of the President" for 1992, personal savings as a percentage of disposable income has fallen from 8.7 percent in 1975 to 5.3 percent in 1990.

According to the Competitiveness Policy Council, a Federal bipartisan advisory group divided equally among business, labor, government, and the public, reported that the American household savings rate is the "lowest by far of any major country in the world." In 1990 American consumers saved less than 5 cents out of every dollar earned, compared to Japan, where they save the equivalent of 16 cents on the dollar.

Right now the Federal Government is penalizing the American family for saving and investing. Government has ignored the decline in personal savings rates demonstrated by the figures I have mentioned. There is something we can do to change this.

Today, I am introducing legislation which will allow taxpayers to exclude up to $500 of interest and dividends for an individual return and $1,000 for a joint return. This legislation removes the tax penalty on interest and dividends and creates the incentive for individuals and families to start saving and investing.

This proposal will benefit over 93 million taxpayers, which translates into 82 percent of all Americans filing tax returns. This proposal will benefit all taxpayers and not just those with IRA's. The interest and dividend exclusion will help the senior who is dependent on the interest earned on a certificate of deposit which represents his or her life savings. It will also help the young couple with simply a savings account that earns interest. I hope to encourage people to put more in that savings account or CD.

The exclusion of interest and dividends is not an original or new idea. In 1981 a combined exclusion of $200—$400 on a joint return—was in effect. The personal savings rate as a percentage of gross domestic product was 6.3 percent during 1981. Subsequently, the Economic Recovery Tax Act of 1981 repealed the $200/$400 exclusion. During the period following repeal, the personal savings rate as a percentage of GDP fell from 5 percent in 1983 to 4.4 percent in 1986. The Tax Reform Act of 1986 repealed the remaining $100 dividend exclusion and similarly the personal savings rate as a percentage of GDP fell again in 1987 to 3.1 percent and has remained consistently low.

This concept of encouraging savings through the Tax Code not only has his-

torical success in this country but in other countries as well. This concept was part of the tax system set up by American economists sent to rebuild Japan after World War II. Under this rebuild system, Japan exempted all savings from taxation and currently has the best savings rate of any industrialized nation. By creating capital for investment, they provided the foundation for the economic prowess of the Japan we know today.

Mr. President, with the introduction of this legislation I hope to begin the debate on the urgent need to provide an incentive to increase savings in this country. I recognize there are many obstacles ahead and much convincing to do. But it is time we turn to proven economic policies that increase savings, stimulate the economy, and create jobs.

By Mr. CRANSTON (by request):

S. 2640. A bill to amend title 38, United States Code, to make certain improvements in the educational assistance programs for veterans and eligible persons, and for other purposes; to the Committee on Veterans' Affairs.

VETERANS' EDUCATIONAL ASSISTANCE IMPROVEMENTS ACT

• Mr. CRANSTON. Mr. President, as chairman of the Veterans' Affairs Committee, I have today introduced, by request, S. 2640, the proposed Veterans' Educational Assistance Improvements Act of 1992. The Secretary of Veterans Affairs submitted this legislation by letter dated April 23, 1992, to the President of the Senate.

My introduction of this measure is in keeping with the policy which I have adopted of generally introducing—so that there will be specific bills to which my colleagues and others may direct their attention and comments—all administration-proposed draft legislation referred to the Veterans' Affairs Committee. Thus, I reserve the right to support or oppose the provisions of, as well as any amendment to, this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point, together with the transmittal letter, and enclosed section-by-section analysis.•

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2640

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE: REFERENCES TO TITLE 38, UNITED STATES CODE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Veterans' Educational Assistance Improvements Act of 1992."

(b) REFERENCES TO TITLE 38.—Except as otherwise may be specifically provided, whenever in the Act an amendment or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

(c) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

TABLE OF CONTENTS

SEC. 2. PROVISION FOR PERMANENT PROGRAM OF TRIAL WORK PERIODS AND VOCATIONAL REHABILITATION FOR CERTAIN VETERANS WITH TOTAL DISABILITY RATINGS.

(a) IN GENERAL.—(1) Section 1163(a) is amended—

(A) In paragraph (1), by—

(i) striking out "during the" and inserting in lieu thereof "during and after the initial"; and

(ii) striking out "a period of 12 consecutive months" and inserting in lieu thereof "the period described in paragraph (3) of this subsection";

(B) In paragraph (2)(B), by inserting "initial" before "program"; and

(C) By adding at the end the following new paragraph:

"(3) The period referred to in paragraph (1) of this subsection for maintaining an occupation shall be 12 consecutive months in the case of a qualified veteran who begins such occupation during the initial program period or 6 consecutive months if the veteran begins his or her occupation after the initial program period."

(2) Section 1163(b) is amended by striking out "During the program period, the" and inserting in lieu thereof "The".

(3) Section 1163(c)(1) is amended by striking out "In the case" and all that follows through "providing—" and inserting in lieu thereof the following:

"The Secretary shall provide to each qualified veteran awarded a rating of total disability described in subsection (a)(2)(A) of this section, at the time notice of each such award is given to the veteran, a statement containing—".

(b) CLERICAL AMENDMENT.—(1) The table of sections at the beginning of chapter 11 is amended by striking out "1163. Temporary Program" and inserting in lieu thereof "1163. Program".

(2) The catch line at the beginning of section 1163 is amended by striking out "Temporary program" and inserting in lieu thereof "Program".

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective on the date of enactment of this Act.

SEC. 3. PROVISION FOR PERMANENT PROGRAM OF VOCATIONAL TRAINING FOR CERTAIN PENSION RECIPIENTS.

(a) IN GENERAL.—Section 1524 is amended—

(1) By amending subsection (a) to read as follows:

"(a) A veteran awarded pension may apply for vocational training under this section and, if the Secretary makes a preliminary finding on the basis of information in the application and otherwise on file with the Department of Veterans Affairs that, with the assistance of a vocational training program under subsection (b) of this section, the veteran has a good potential for achieving employment, the Secretary shall provide the veteran with an evaluation to determine whether the veteran's achievement of a vocational goal is reasonably feasible. Any such evaluation shall include a personal interview by a Department of Veterans Affairs employee trained in vocational counseling unless, in the Secretary's judgment, such an evaluation is not feasible or not necessary to make the determination required by this subsection.";

(2) In subsection (b), by striking out paragraph (4); and

(3) By amending subsection (d) to read as follows:

"(d) Notwithstanding section 1525 of this title, a veteran who pursues a vocational training program under subsection (b) of this section shall have the benefit of the 3-year health-care eligibility protection provisions of section 1525 without regard to whether the veteran's entitlement to pension is terminated by reason of income from work or training (as defined in subsection (b)(1) of that section) during or after the program period applicable to such section."

(b) CONFORMING AMENDMENTS.—Chapter 15 of such title is amended—

(1) In the table of sections of such chapter, by striking out "1524. Temporary program" and inserting in lieu thereof "1524. Program";

(2) In the catch line at the beginning of section 1524, by striking out "Temporary program" and inserting in lieu thereof "Program"; and

(3) In section 1525(a) by—

(A) Inserting "(except as provided in section 1524(c) of this title)" after "program period"; and

(B) Striking out "such chapter" and inserting in lieu thereof "chapter 17 of this title".

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective as of January 31, 1992.

SEC. 4. PILOT PROGRAM OF NONPAY OR NOMINAL PAY TRAINING IN THE PRIVATE SECTOR.

(a) IN GENERAL.—Section 3115 is amended—

(1) in subsection (a)(1), by—

(A) inserting "(A)" after "(i)"; and

(B) striking out "training or work experience" the first place it appears and inserting in lieu thereof the following: "non-job training or work experience; or

"(B) during the three-year period beginning on October 1, 1992, subject to subsection (c) of this section, conduct a pilot program for using any other public or any private entity or employer to provide on-job training,";

(2) in subsection (b), by—

(A) amending paragraph (1) by striking out "(a)(1)" and inserting in lieu thereof "(a)(1)(A)";

(B) amending paragraph (3) by striking out "of a State or local government agency"; and

(C) amending paragraph (4) by striking out "of training" and all that follows through "agencies" and inserting in lieu thereof "(to include on-site monitoring) of on-job training and work experience provided under such subsection (a)(1)"; and

(3) by adding at the end the following new subsection:

"(C) The Secretary shall not approve, nor enter into any contract, agreement, or cooperative arrangement under subsection (b)(3) of this section providing for pursuit of any program of on-job training under subsection (a)(1)(B) of this section which commences after the later of (1) September 30, 1995, or (2) if a written vocational rehabilitation plan for such training for a veteran is executed prior to September 30, 1995, within a reasonable period of time as determined by the Secretary, not exceeding six months, after execution of such plan.".

(b) CONFORMING AMENDMENT.—Section 3108(c)(2) is amended by striking out "in a Federal, State, or local government agency" and inserting in lieu thereof "using the facilities of a Federal, State, or local government agency or of any other entity or employer".

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective on October 1, 1992.

SEC. 5. CONTINUITY OF SERVICE FOR MONTGOMERY GI BILL ELIGIBILITY.

(a) IN GENERAL.—Section 3011 is amended by adding at the end the following new subsection:

"(e) Whenever in this chapter active duty service is required to be consecutive, continuous, and/or without a break, such required continuity of service shall not be considered broken by any period during which an individual is assigned by the Armed Forces to a civilian institution as described in section 3002(6)(A) of this title, notwithstanding that the period of such assignment is not active duty for purposes of this chapter.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as of October 19, 1984.

SEC. 6. CLARIFYING AMENDMENT TO MONTGOMERY GI BILL ACTIVE DUTY PROGRAM "OPEN PERIOD"

(a) IN GENERAL.—Section 3018(b)(3)(B) is amended—

(1) by striking out "or (iii)" and inserting in lieu thereof "(iii)"; and

(2) by inserting after "hardship" and before the semicolon the following:

", or (iv) a physical or mental condition that was not characterized as a disability and did not result from the individual's own willful misconduct but did interfere with the individual's performance of duty, as determined by the Secretary of each military department in accordance with regulations prescribed by the Secretary of Defense or by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as of October 19, 1984.

SECTION-BY-SECTION ANALYSIS

SHORT TITLE; REFERENCES TO TITLE 38, UNITED STATES CODE

Section 1

Subsection (a) provides that the draft bill may be cited as the "Veterans' Educational Assistance Improvement Act of 1992."

Subsection (b) provides that, unless otherwise specified, whenever in the draft bill an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

Subsection (c) sets forth the table of contents for the draft bill.

Section 2

This section would amend section 1163 of title 38 to modify and make permanent the current temporary program of trial work periods and vocational rehabilitation for certain veterans with total disability ratings authorized by that section.

This temporary program was established in 1984 and initially ran from February 1, 1958, through January 31, 1989. It was intended as a test to motivate service-disabled veterans awarded a total rating based on individual Unemployability (IU) to either participate in a vocational rehabilitation program, or utilize existing skills to secure employment.

As motivation, the program required that a veteran awarded an IU rating during the program period had to undergo an evaluation to determine rehabilitation potential or risk termination of the award. If achievement of a vocational goal was found reasonably feasible, an individualized written rehabilitation plan was developed for and with the veteran.

While failure to cooperate in or complete the plan could result in reconsideration of the veteran's continued eligibility for the IU rating based on evaluation findings, successful program pursuit would protect the IU rating unless and until the veteran maintained substantially gainful employment for 12 consecutive months. (Veterans awarded the IU rating before commencement of the program period could request an evaluation and voluntarily participate in a rehabilitation program.)

Public Law 100-687 (Nov. 18, 1988) extended the program through January 31, 1992, and made it completely voluntary after study results showed that those whose participation was voluntary displayed the greatest motivation and the best outcomes. It maintained the trial work period feature of rating protection.

The amendments made by this section would make the section 1163 program permanent, but with a programmatic adjustment: the trial work period protection would be reduced from 12 to 6 consecutive months of substantially gainful employment.

Conceptually, the trial work period feature is consistent with current rehabilitation philosophy and practice, and clearly is an essential element of the program. A six-month period of protection will provide sufficient time to establish a sound adjustment to employment. Hence, the proposed adjustment.

With this improvement, it is appropriate that this program, which has been shown to have positive results, should be made permanent.

Section 3

This section would amend 38 U.S.C. §1524(a)(4) to delete the termination date for the vocational training program for certain veterans awarded VA pension benefits, as well as the program's requirement that veterans under age 45 participate in an evaluation of vocational potential. Further, this section would provide that a personal interview by a VA counselor is not required as part of the veteran's evaluation when such an interview is not practical or necessary for the feasibility determination. Last, the section would maintain, as a permanent feature of the program, protection of health-care eligibility for program participants whose pension is terminated by reason of income from work or training as described in 38 U.S.C. §1525.

Congress established this temporary program of vocational training for cetain new pension recipients in 1984. The program period initially ran from February 1, 1985, through January 31, 1989, and later was extended through January 31, 1992. Under current law, a veteran below age 45 awarded pension during the program period had to participate in an evaluation of his or her vocational potential, unless VA found the veteran was unable to do so for reasons beyond his or her control. If the evaluation disclosed that it was reasonably feasible for the veteran to achieve a vocational goal, the veteran was offered a program of vocational rehabilitation as provided under chapter 31, with certain restrictions.

The section 1524 temporary program clearly has been beneficial. VA finds that approximately one-third of the veterans provided an evaluation are capable of pursuing a vocational program and becoming suitably employed. Further, the proportion of veterans with earnings is an estimated four times higher for veterans who pursue a vocational training program under VA auspices than for veterans who are otherwise capable but do not elect to do so.

VA also has found, however, that providing required evaluations for veterans under age 45 imposes a major administrative burden without commensurate benefit to the veteran or the Government. In fact, a substantially higher proportion of veterans who can participate in the program on a voluntary basis do so in comparison with veterans for whom participation in an evaluation is required. Reducing the administrative burden by eliminating the mandatory requirement for evaluation will improve program effectiveness and conserve staff time without impairing a veteran's access to program services. VA does not believe that reinstatement of the vocational training program is warranted unless this change is made.

Additionally, while the provision affording each veteran the opportunity for a personal interview with a VA employee trained in vocational counseling is retained for the permanent program, an exclusion is made for cases where it is apparent that such an interview would not be productive or where information plainly shows that achievement of a vocational goal is not reasonably feasible.

Finally, the health-care eligibility protection feature is a valuable incentive to program participation and its retention is in the veteran's and the Government's interest.

Section 4

This section would amend section 3115(a)(1) of title 38 to establish a 3-year pilot program that would expand the types of facilities the Secretary could use to provide on-job training at no or nominal pay for veterans as part of their vocational rehabilitation programs under chapter 31 of title 38. The purpose of the pilot program would be to ascertain whether use of the additional (e.g., private sector) facilities to provide such on-job training is feasible, will significantly expand training and employment opportunities, and will result in permanent and stable employment for disabled veterans.

Public Law 100-689 authorized VA to use facilities of Federal agencies and certain State and local agencies to provide nonpay or nominal pay training or work experience as all or part of a veteran's chapter 31 vocational rehabilitation program. Generally, veterans participating in such on-job training become employed in the position for which they trained by the agency providing the training. This, thus, is a valuable tool in providing increased employment opportunities for disabled veterans.

Under the pilot program created by this amendment, the facilities of any private sector entity or employer, as well as of any public entity or employer other than enumerated in the existing statute, also could be used for these purposes.

The pilot program would run from October 1, 1992, to September 31, 1995. However, while no individual would be permitted to begin an on-job training program under the pilot program after September 31, 1995, an individual who began such training during the program period would be allowed to continuously pursue the training program to completion.

Participants in training under the pilot program would be authorized chapter 31 subsistence allowance at the same rates (i.e., the institutional rates under section 3108(b)) as are currently authorized for nonpay or nominal pay training or work experience in a Federal, State, or local agency under section 3115(a)(1). Moreover, the same administrative requirements (procurement of facilities, monitoring of training, and ensuring the training is in the veteran's and Government's best interest) as apply to the latter training would apply to the pilot program.

The pilot program enacted by this section would be effective October 1, 1992.

Section 5

This section would add a subsection (e) to section 3011 of title 30 to provide that a period during which a chapter 30 Montgomery GI Bill (MGIB) participant is assigned full time by the Armed Forces to a civilian institution for educational pursuit will not be considered a break in the continuity of the individual's active duty service.

Under existing law, an MGIB participant's initial period of obligated active service must be continuous to establish entitlement under that program. Chapter 30 also variously requires continuous active duty service without a break, as well as consecutive years of active duty for eligibility in other areas; e.g., inservice enrollment, "open period" enrollment, and supplemental educational assistance. However, the term "active duty" as defined by section 3002 of title 38 expressly excludes a period when an individual is assigned full time to a civilian institution for substantially the same course of education offered to civilians. Consequently, an MGIB participant who is assigned to such an institution during the period of active duty service required to establish chapter 30 entitlement loses that entitlement.

This amendment would prevent an MGIB participant from being so divested of entitlement under the MGIB. It should be emphasized, however, that the amendment only deems that the period of assignment to a civilian institution shall not interrupt the continuity of the active duty required to establish MGIB entitlement; it does not deem such assignment to be "active duty" countable toward meeting entitlement requirements.

Section 6

This section would enable individuals who enrolled as MGIB participants during the "open period" provided under section 3018 to become entitled to educational assistance thereunder when separated early from the obligated period of military service due to certain physical or mental conditions impeding satisfactory military performance.

Public Law 101-510 authorized most chapter 30 MGIB participants to establish entitlement under that chapter based on a period of otherwise qualifying active duty or Selected Reserve service from which they were separated early for a physical or mental condition, not the result of the individual's own willful misconduct which, though not characterized as a disability, nevertheless, prevented the individual from satisfactorily performing his or her military duties. This provision inadvertently excluded individuals who became MGIB participants under section 3018. The amendment made by this section would correct that oversight.

THE SECRETARY OF VETERANS AFFAIRS,
Washington, April 23, 1992.

Hon. DAN QUAYLE,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: There is transmitted herewith a draft bill "To amend title 38, United States Code, to make certain improvements in the vocational rehabilitation and educational assistance programs for veterans, and for other purposes." I request that this measure be referred to the appropriate committee and promptly enacted.

This measure, entitled the "Veterans' Educational Assistance Improvements Act of 1992," would make a number of amendments to improve the vocational rehabilitation and education benefit programs administered by the Department of Veterans Affairs. The former amendments include two proposals which would reinstate, amend, and make permanent both the Temporary Program of Trial Work Periods and Vocational Rehabilitation for Certain Veterans with Total Disability Ratings and the Temporary Program of Vocational Training for Certain Pension Recipients, as well as a proposal to establish a 3-year pilot program of nonpay or nominal pay training in the private sector for service-disabled veterans as part of their vocational rehabilitation programs.

Please note that VA submitted legislation during the last session of this Congress that included provisions to make the above-mentioned temporary programs permanent, but the session ended without enactment of such legislation or legislation extending the programs. As a result, both programs lapsed as of January 31, 1992. Accordingly, the provisions for permanency of such programs contained in this measure have been redrafted to account for the lapse.

The measure's education benefit proposals would make two amendments to improve the chapter 30 Montgomery GI Bill. The first would clarify the continuity of active duty service required for program eligibility. The second would make a technical amendment to conform the discharge provisions for "Open Period" enrollees with those for other program participants.

The effect of this draft bill on the deficit is:

Fiscal years

[In thousands of dollars]

Outlays:	
1992	
1993	314
1994	548
1995	816
1996	782
1997	748
1992-97	3,208

The Omnibus Budget Reconciliation Act of 1990 (OBRA) requires that all revenue and direct spending legislation meet a pay-as-you-go requirement. That is, no such bill should result in an increase in the deficit; and, if it does, it must trigger a sequester if it is not fully offset. Since the Veterans' Educational Assistance Improvement Act of 1992 would increase direct spending, it must be offset.

The President's FY 1993 Budget includes several proposals that are subject to the pay-as-you-go requirement. Considered individually, the proposals that increase direct spending or decrease receipts would fail to meet the OBRA requirement. However, the sum of all of the spending and revenue proposals in the President's Budget would reduce the deficit. Therefore, this bill should be considered in conjunction with the other proposals in the FY 1993 Budget that together meet the OBRA pay-as-you-go requirement.

We are advised by the Office of Management and Budget that there is no objection to the submission of this draft bill to the Congress and that its enactment would be in accord with the program of the President.

Sincerely yours,

EDWARD J. DERWINSKI.

By Mr. FORD:

S. 2642. A bill to amend the Airport and Airway Improvement Act of 1982 to authorize appropriations for fiscal years 1993, 1994, and 1995, and for other purposes; to the Committee on Commerce, Science, and Transportation.

AVIATION NOISE IMPROVEMENT AND CAPACITY ACT

Mr. FORD. Mr. President, today I am introducing a bill to reauthorize the programs of the Federal Aviation Administration for 3 years, and to try to help the citizens of this country affected by airport noise. In 1990, I introduced legislation to address aircraft noise. This bill is a continuation of my noise efforts with the emphasis on noise abatement at airports. This bill will provide unprecedented levels of grant funding for the airport improvement program, and will earmark 20 percent of those funds for noise compatibility projects at the nation's airports. The bill would require that no money may be spent for runway extension or construction unless the airport has submitted a noise compatibility program to the FAA. I have also directed the FAA to undertake research on engine and airframe noise. This bill represents a logical extension of the 1990 noise bill by addressing the problem on the ground.

There are other important aspects of the bill which I will address in a few moments, but first I want to make my own noise on the subject of noise. In the fall of 1990, the Congress passed, as part of the omnibus budget resolution, a bill which mandated the phase-out of stage II aircraft, and authorized the imposition of airport head taxes, or passenger facility charges [PFC's]. I was the principal author of the so-called noise legislation, because I thought it was critical that airlines be able to plan with certainty for an orderly fleet reduction that would assure the citizens living around an airport, quieter skies by the year 2000. The Secretary published a national noise policy to implement the bill. There are three crucial aspects of this law: First, the reduction in stage II aircraft is to be accomplished in stages up to December, 1999; second, any restrictions placed on stage III aircraft by an airport are subject to review by the FAA; and third, any restrictions on the operation of stage II aircraft must be posted for airport users for 180 days.

Much has been made of this last provision. Some say this permits them to

phase out stage II aircraft before the national date. This is simply wrong. A restriction is not a phaseout. A restriction may be permitted; an early phaseout is not. There are a number of restrictions an airport can implement such as a limit on the frequency of operations, time of day restrictions, curfews, noise allocations, preferential runway use, and landing and departure modifications.

We have heard a great deal lately from and about the Port Authority of New York and New Jersey, who are threatening to implement an early phaseout of state II aircraft. The port authority fails to see the distinction between a restriction and a phaseout. As I have said before, there is no reason to have a national phaseout date if airports can still do anything they want.

In this debate, there is constant reference to a colloquy between Senator LAUTENBERG and me at the time of the Senate passage of the conference report. It has been suggested that I agreed that airports could phaseout state II aircraft at an earlier date. This thinking defies simple logic. I knew at the time I engaged in the colloquy that I was referring to restrictions, not an early phaseout. I am now being referred to as a revisionist because of my insistence that there is a difference between restrictions and early phaseouts.

Contrary to the House report on the FAA reauthorization bill, the legislation does not and did not permit a phaseout at Newark or any place else which is earlier than the national phaseout date. Newark may, as anyone may, impose restrictions on stage II aircraft.

Another issue that continues to be misunderstood is the linkage between the national noise policy and the PFC. The heart of the 1990 bill was that linkage. I understand that the port authority is astonished that they cannot levy a PFC if they choose to violate the national noise policy with an early stage II phaseout. The law is very clear—if an airport does not comply with the national noise policy, then the airport will relinquish their right to impose a PFC, as well as to receive airport grants.

The 1990 legislation grandfathered airport noise restrictions that were already in place. During the formulation of the bill and up until the conference, various airports with noise restrictions in progress approached me to seek accommodation of their situations. No one from the port authority ever contacted me. If they contemplated such restrictions at that time—as the colloquy suggests—it would have been wise for them to have approached us to deal with it then.

Other airports with noise problems seem to be working out solutions with the neighbors of the airports without the need to have an early phaseout. Just last week, the Minneapolis/St. Paul Metropolitan Airport Commission agreed to a voluntary plan with their cargo carriers on night flights. I commend Minneapolis for this agreement, as it proves that noise problems can be addressed if carriers, airports, and communities work together.

My suggestions to the port authority are to consider using the PFC to deal with the noise problems they have. The authority may improve their relations with airport neighbors if they conduct part 150 studies, or use some of the noise money in this bill I am introducing today for noise abatement. They could soundproof homes and work on noise compatibility programs in the communities, talk to the air carriers and try to workout restrictions, and look at other airports that have successful noise abatement programs for solutions.

Since I mentioned PFC's, I want to take this opportunity to commend Col. Leonard Griggs and his excellent staff in the FAA airports office for the good job they have done implementing the PFC regulations.

Mr. President, many of the provisions of the bill have come about due to the noise problems being experienced at the Greater Cincinnati/Northern Kentucky Airport located in Boone County, KY. On January 10, 1991, a new north/south runway was opened and takeoff procedures to the south shifted due to air traffic control regulations on simultaneous takeoffs. These departure procedures were not instituted for noise abatement reasons. Thousands of Boone County citizens now experience noise from this new runway. Most of these neighborhoods never before experienced aircraft noise. Increasing the set aside for noise abatement programs will certainly assist the Greater Cincinnati/Northern Kentucky Airport in resolving the noise issue.

There have been a number of complaints from northern Kentucky citizens that financial information is not readily available for the community to review. Since airports receive Federal funds, I do not believe it is an imposition to require the airport to make their budgets public. This should help communities participate in the development and operation of airports and make the airport a better community citizen.

My bill increases the cargo formula percentage from 3 to 4 percent, and also lifts the cap available for cargo airports from $50 to $100 million. I had started the cargo entitlement in the 1987 FAA reauthorization bill. Runways have no idea whether the planes landing on them contain passengers or packages. Since the cargo carriers were paying into the trust fund, it seemed logical that airports should receive an entitlement for cargo usage as well as passenger entitlements.

Another provision which was initiated in the 1987 bill was the establishment of the minimum AIP entitlement for primary airports. This was a provision that I added as a result of my experiences with two small airports in Kentucky in Owensboro, my hometown, and Paducah. It has worked extremely well so the bill I am introducing today increases the minimum entitlement for these airports from $300,000 to $400,000.

I said there were other important aspects of the bill and I don't want to neglect those. Since I have been chairman of the Aviation Subcommittee, I have seen three FAA Administrators. That is not counting Barry Harris who is acting in the position now, and may I add he is doing a fine job. I have worked well with all of the administration, but there just have been too many. No sooner do we get one who knows the ropes, learns his way around, than he is out of there. Political differences, changes of administration, secretarial-inspired moves—all have contributed to the short tenure of the Administrators. I want to change that. My bill gives the FAA Administrator tenure of 5 years. This provision is modeled on the FBI statute and would be effective for an Administrator appointed after March 1993.

My bill authorizes about $25 billion from the airport and airway trust fund over a 3-year period to cover 75 percent of the FAA's costs. As I have already mentioned, there are significant increases in the Airport Grant Program. I have continued the Essential Air Service Program, and have linked the authority to impose PFC's to the funding level for essential air service.

Sufficient funds are provided in the FAA capital account to assure continuation of the Capital Investment Program to modernize the air traffic control system. I have increased funding for research and development in accordance with recent recommendations from the Augustine Commission, and have directed the FAA to assure that sufficient funds be directed to research on engine and aircraft noise, as well as on aircraft emissions.

I have directed that the FAA continue to hire safety inspectors to accommodate the commercial and commuter airline fleet. The tragic air crash at La Guardia a few weeks ago has brought the subject of aircraft deicing to the fore. My bill directs the FAA to implement regulations by November 1 to improve the safety of operations during winter conditions.

Mr. President, this is an important bill, a necessary bill, a bill which I ask the support of my colleagues in passing. It will help communities around the country deal with airport noise, and it will allow the FAA to continue its important mission and programs without interruption.

Mr. President, I ask unanimous consent the bill, along with a summary of the bill, be placed in the RECORD. I also

ask unanimous consent that a copy of the colloquy of October 27, 1990, between Senator LAUTENBERG and me be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2642

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TIME

SECTION 1. This Act may be cited as the "Aviation Noise Improvement and Capacity Act of 1992".

FINDINGS

SEC. 2. The Congress finds the following:

(1) Noise associated with the use of our Nation's airports must be reduced and efforts to mitigate noise must be continued.

(2) Airports must use the airport noise planning program to ensure that capacity expansion minimizes noise to the surrounding community.

(3) The Nation's air traffic control system must be modernized with the most advanced technology, and the necessary capital equipment must be developed and procured, in order to continue the safe and efficient operation of the national airspace system.

(4) There will need to be a continuing increase in the number of aviation safety inspectors to handle the current and future workload of the air carrier and commuter industry.

(5) The United States airline industry lost more than $6 billion in 1990 and 1991. The number of air carriers serving the public has declined substantially as a result of the industry's financial distress and the absence of governmental policies to promote competition. Continued financial losses could result in the further loss of competition and service to the traveling public.

TITLE I—AIRPORT AND AIRWAY IMPROVEMENT ACT AMENDMENTS

DECLARATION OF POLICY

SEC. 101. Section 502 of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2201) is amended by adding at the end the following new subsection:

"(c) CAPACITY EXPANSION AND NOISE ABATEMENT.—It is in the public interest to recognize the effects of airport capacity expansion projects on aircraft noise. Efforts to increase capacity through any means can have an impact on surrounding communities. Noncompatible land uses around airports must be reduced, and efforts to mitigate noise must be given a high priority.".

AIRPORT IMPROVEMENT PROGRAM

SEC. 102. (a) AUTHORIZATION OF APPROPRIATIONS.—The second sentence of section 505(a) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2204(a)) is amended by striking "$5,116,700,000" and all that follows and inserting in lieu thereof "$13,916,700,000 for fiscal years ending before October 1, 1992, $16,416,700,000 for fiscal years ending before October 1, 1993, $18,916,700,000 for fiscal years ending before October 1, 1994, and $21,416,700,000 for fiscal years ending October 1, 1995.".

(b) OBLIGATIONAL AUTHORITY.—Section 505(b)(1) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2204(b)(1)) is amended by striking "1992" and inserting in lieu thereof "1995".

AIRWAY IMPROVEMENT PROGRAM

SEC. 103. (a) AUTHORIZATION OF APPROPRIATIONS.—The first sentence of section 506(a)(1) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2205(a)(1)) is amended by striking all after "Trust Fund" and inserting in lieu thereof "$5,500,000,000 for the fiscal years ending before October 1, 1992, $8,200,000,000 for the fiscal years ending before October 1, 1993, $11,100,000,000 for the fiscal years ending before October 1, 1994, and $14,000,000,000 for the fiscal years ending before October 1, 1995.".

(b) WEATHER SERVICES.—Section 506(d) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2205(d)) is amended by striking the second sentence and inserting in lieu thereof the following new sentence: "Expenditures for the purposes of carrying out this subsection shall be limited to $35,596,000 for fiscal year 1993, $37,800,000 for fiscal year 1994, and $39,000,000 for fiscal year 1995.".

AVIATION RESEARCH

SEC. 104. (a) AUTHORIZATION OF APPROPRIATIONS.—Section 506(b)(2) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2205(b)(2)) is amended by striking subparagraph (A) and all that follows and inserting in lieu thereof the following:

"(A) for fiscal year 1993, $300,000,000;

"(B) for fiscal year 1994, $350,000,000; and

"(C) for fiscal year 1995, $400,000,000.

Not less than 15 percent of the amount appropriated under this paragraph shall be for long-term research projects, and not less than 3 percent of the amount appropriated under this paragraph shall be available to the Administrator for making grants under section 312(g) of the Federal Aviation Act of 1958.".

(b) AIRCRAFT NOISE REDUCTION TECHNOLOGY.—Section 506(b) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2205(b)) is amended by striking paragraph (3) and inserting in lieu thereof the following new paragraph:

"(3) AIRCRAFT NOISE REDUCTION TECHNOLOGY.—The Administrator shall assure that sufficient resources are available to ensure a significant national commitment to develop improved technology for reduction in engine and airframe noise and aircraft emissions. Such development efforts should be undertaken in conjunction with the National Aeronautics and Space Administration.".

(c) FUNDING FOR ENHANCING AIRPORT CAPACITY.—Section 506(b)(4) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2205(b)(4)) is amended by striking "and 1992" each place it appears and inserting in lieu thereof "1992, 1993, 1994, and 1995".

OPERATIONS OF FEDERAL AVIATION ADMINISTRATION

SEC. 105. Section 106(k) of title 49, United States Code, is amended by striking all after "Administration" and inserting in lieu thereof "$4,412,600,000 for fiscal year 1992, $4,716,500,000 for fiscal year 1993, $5,100,000,000 for fiscal year 1994, and $5,520,000,000 for fiscal year 1995.".

LINKAGE WITH PASSENGER FACILITY CHARGES PROGRAM

SEC. 106. Section 1113(e)(4) of the Federal Aviation Act of 1958 (49 App. U.S.C. 1513(e)(4)) is amended by striking "under this subsection on or before" and all that follows and inserting in lieu thereof the following:

"under this section—

"(A) on or before September 30, 1993, if, during fiscal year 1993, the amount available for obligation under section 419 of this Act is less than $38,600,000;

"(B) on or before September 30, 1994, if, during fiscal year 1994, the amount available for obligation under section 419 of this Act is less than $38,600,000; or

"(C) on or before September 30, 1995, if, during fiscal year 1995, the amount available for obligation under section 419 of this Act is less than $38,600,000.".

APPORTIONMENTS

SEC. 107. (a) INCREASE FOR CARGO HUBS.—Section 507(a)(2) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2206(a)(2)) is amended—

(1) by striking "3 percent" and inserting in lieu thereof "4 percent"; and

(2) by striking "(but not to exceed $50,000,000)".

(b) APPORTIONMENT FOR STATES.—Section 507(a)(3) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2206(a)(3)) is amended by striking "12 percent" and inserting in lieu thereof "11 percent".

(c) APPORTIONMENTS FOR PRIMARY AND CARGO SERVICE AIRPORTS.—(1) Section 507(b)(1) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2206(b)(1)) is amended by striking "$300,000" and inserting in lieu thereof "$400,000".

(2) Section 507(b)(3) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2206(b)(3)) is amended by striking "49.5 percent" each place it appears and inserting in lieu thereof "44 percent".

MILITARY AIRPORTS

SEC. 108. Section 508(d)(5) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2207(d)(5)) is amended—

(1) by striking "1991 and"; and

(2) by inserting ", 1993, 1994, and 1995" immediately after "1992".

AIRPORT NOISE COMPATIBILITY PROGRAM

SEC. 109. (a) NOISE SET-ASIDE.—Section 508(d)(2) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2207(d)(2)) is amended by striking "10 percent" and inserting in lieu thereof "20 percent".

(b) RESTRICTION ON AIRPORT DEVELOPMENT.—Section 505(b) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2204(b)) is amended by adding at the end the following new paragraph:

"(3) No obligation shall be incurred by the Secretary for airport development involving a project for the construction or extension of a runway to be used for air carrier operations involving large aircraft at an airport unless that airport has a noise compatibility program, submitted under section 104(a) of the Aviation Safety and Noise Abatement Act of 1979, which takes into account such runway extension or construction.".

MAXIMUM OBLIGATION OF THE UNITED STATES

SEC. 110. Section 512(b)(3) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2211(b)(3)) is amended by striking the period at the end and inserting in lieu thereof the following: "; except that, for fiscal year 1993 and thereafter, the maximum obligation of the United States may be increased for an airport, other than a primary airport, by an amount not to exceed 25 percent of the total increase in allowable project costs attributable to an acquisition of land or interests in land, based on current credible appraisals or a court award in a condemnation proceeding.".

CONTROL TOWER RELOCATION; COMPLIANCE WITH CERTAIN LAWS

SEC. 111. Section 503(a)(2) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2202(a)(2)) is amended—

(1) by striking "and" at the end of subparagraph (C);

(2) by striking the period at the end of subparagraph (D) and inserting in lieu thereof a semicolon; and

(3) by adding at the end the following new subparagraphs:

"(E) the relocation of an air traffic control tower if such relocation is necessary to carry out a project approved by the Secretary under this title; and

"(F) if funded by grant under this title, any construction, reconstruction, repair, or improvement of an airport (or any purchase of capital equipment for an airport), which is necessary for compliance with the responsibilities of the operator or owner of the airport under the Americans with Disabilities Act of 1990, the Clean Air Act, and the Federal Water Pollution Control Act with respect to the airport, other than construction or purchase of capital equipment which would primarily benefit a revenue producing area of the airport used by a nonaeronautical business.".

PUBLIC ACCESS TO AIRPORT BUDGETS

SEC. 112. Section 511(a)(11) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2201(a)(11)) is amended by inserting ", and a report of the airport budget will be available to the public at reasonable times and places" immediately before the semicolon at the end.

AVIATION SAFETY INSPECTORS

SEC. 113. The Administrator of the Federal Aviation Administration shall, within authorized levels, increase the employment of aviation safety inspectors so that by the end of fiscal year 1995 the ratio of employed safety inspectors to authorized positions is not less than 95 percent. The Administrator shall ensure that the current backlog in inspector training is eliminated by the end of fiscal year 1995, and that adequate administrative and clerical support is made available, from appropriations for Federal Aviation Administration operations, to support the inspector workforce.

TITLE II—FEDERAL AVIATION ACT AMENDMENTS

TENURE OF THE ADMINISTRATOR

SEC. 201. Section 106(b) of title 49, United States Code, is amended by inserting immediately after the fourth sentence the following new sentence: "An individual appointed as Administrator after March 1, 1993, serves for a term of 5 years and may not serve more than one term.".

AIRCRAFT OPERATIONS IN WINTER CONDITIONS

SEC. 202. (a) IN GENERAL.—Before November 1, 1992, the Administrator of the Federal Aviation Administration shall require, by regulation, procedures to improve safety of aircraft operations during winter conditions.

(b) FACTORS TO BE CONSIDERED.—In determining procedures to be required under subsection (a), the Administrator shall consider, among other things, aircraft and air traffic control modifications, the availability of different types of deicing fluids (taking into account their efficacy and environmental limitations), the types of deicing equipment available, and the feasibility and desirability of establishing timeframes within which deicing must occur under certain types of inclement weather.

PILOT TRAINING

SEC. 203. Not less than 90 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall initiate a rulemaking to consider whether it is advisable to require enhanced training or education, especially on the use of autopilot and high altitude flight, for pilots operating high performance, single engine, propeller driven aircraft.

PROCUREMENT REFORM

SEC. 204. Section 303 of the Federal Aviation Act of 1958 (49 App. U.S.C. 1344) is amended by adding at the end the following new subsections:

"(g) LIMITED SOURCES OF PROCUREMENT.—The Administrator shall have the same authority as the Administrator would have under section 2304(c)(1) of title 10, United States Code, if the Federal Aviation Administration were an agency listed under section 2303(a) of title 10, United States Code.

"(h) CONTRACT TOWER PROGRAM.—The Administrator may enter into a contract, on a sole source basis, with a State or political subdivision thereof for the purpose of permitting such State or political subdivision to operate an airport traffic control tower classified by the Administrator as a level I visual flight rules tower. Such contract shall require that the State or political subdivision comply with all applicable safety regulations in its operation of the facility and with applicable competition requirements in the subcontracting of any work to be performed under the contract. The Administrator shall not enter into a contract under this subsection unless the Administrator determines that the State or political subdivision has the capability to comply with such requirements.".

CREDIT FOR FEES

SEC. 205. Section 313(f)(4) of the Federal Aviation Act of 1958 (49 App. U.S.C. 1354(f)(4)) is amended by inserting "or as a charge permitted under section 334(1) of title 49, United States Code," immediately after "subsection".

NOTICE OF CONSTRUCTION

SEC. 206. Section 1101(a) of the Federal Aviation Act of 1958 (49 App. U.S.C. 1501(a)) is amended—

(1) by inserting "or the establishment or expansion," immediately after "of the construction or alteration,";

(2) by inserting "or the proposed establishment or expansion," immediately after "or of the proposed construction or alteration,"; and

(3) by inserting "or sanitary landfill" immediately after "structure".

TITLE III—AIRLINE CONSUMER PROTECTION AND COMPETITION EMERGENCY COMMISSION

SHORT TITLE

SEC. 301. This title may be cited as the "Airline Consumer Protection and competition Emergency Commission Act of 1992".

ESTABLISHMENT OF COMMISSION

SEC. 302. There is established the Emergency Commission on Airline Consumer Protection and Competition (hereinafter referred to as the "Commission"). Appointments to the Commission shall be made within 30 days after the date of enactment of this Act.

PURPOSE

SEC. 303. The purpose of this title is to provide for an assessment of the adverse condition of the United States airline industry and aircraft manufacturing industry and to provide for recommendations to be made to the President and the Congress.

MEMBERSHIP OF COMMISSION

SEC. 304. (a) COMPOSITION.—The Commission shall be composed of seven members who shall be appointed as follows:

(1) One member shall be appointed by the President.

(2) Three members shall be appointed by the Committee on Commerce, Science, and Transportation of the Senate.

(3) Three members shall be appointed by the Committee on Public Works and Transportation of the House of Representatives.

(b) SECTORS REPRESENTED.—Appointments shall be coordinated so that one or more of the members of the Commission are drawn from business, labor, academia, and government and are knowledgeable of the United States airline industry or United States aircraft manufacturing industry.

(c) LEADERSHIP.—The Commission shall elect a Chairman and Vice Chairman.

(d) QUORUM.—Five members of the Commission shall constitute a quorum.

(e) EFFECT OF VACANCIES.—Any vacancy on the Commission shall not affect its powers, but shall be filled in the manner in which the original appointment was made.

(f) COMPENSATION AND EXPENSES.—Members of the Commission shall receive no additional pay, allowances, or benefits by reason of their service on the Commission. Members appointed from among private citizens of the United States may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in United States Government service, to the extent such funds are available for such expenses.

FUNCTIONS OF THE COMMISSION

SEC. 305. (a) ASSESSMENT OF AIRLINE INDUSTRY.—The Commission shall assess the state of the United States airline industry, shall explore the full implications of foreign ownership of United States air carriers, and shall make specific recommendations to the President and the Congress concerning what governmental policies should be adopted to—

(1) improve the competitive environment for the United States airline industry;

(2) retard the flow of United States air carrier bankruptcies and accompanying loss of jobs for United States citizens;

(3) assure continued ownership and control of United States air carriers by United States citizens;

(4) promote adequate levels of competition and service with reasonable fares in all geographical areas of the Nation; and

(5) stabilize the work environment of airline industry employees.

(b) ASSESSMENT OF AIRCRAFT MANUFACTURING INDUSTRY.—The Commission shall also assess the state of the United States aircraft manufacturing industry and make recommendations to the President and the Congress concerning policies that will help foster a healthy, competitive aircraft manufacturing industry which is owned and controlled by the United States citizens.

REPORT

SEC. 306. Not later than 3 months after the date on which initial appointments to the Commission are completed, the Commission shall submit a report to the President and the Congress on its activities and containing the recommendations required by section 306.

POWERS OF THE COMMISSION

SEC. 307. (a) HEARINGS.—The Commission may, for the purpose of carrying out this title, hold such hearings and sit and act at such times and places, as the Commission finds advisable.

(b) RULES AND REGULATIONS.—The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization, and personnel.

(c) ASSISTANCE FROM FEDERAL AGENCIES.—(1) The Commission may request from any Federal agency or instrumentality such information as the Commission may require to carry out its functions under this title. Each such agency or instrumentality shall, to the extent permitted by law and subject to the

exceptions set forth in section 552 of title 5, United States Code, furnish that information to the Commission upon the request of the Chairman of the Commission.

(2) Upon request of the Chairman of the Commission, any Federal agency or instrumentality shall, to the extent reasonably practicable—

(A) make any of the facilities and services of that agency or instrumentality available to the Commission; and

(B) detail personnel of that agency or instrumentality to the Commission on a nonreimbursable basis, to assist the Commission in carrying out its functions under this title, except that any expenses of the Commission incurred under this subparagraph shall be subject to the limitation on total expenses set forth in section 309(b).

(d) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(e) CONTRACTING.—The Commission may, to such extent and in such amounts as are provided in advance in appropriations Acts, enter into contracts with State agencies, private firms, institutions, and individuals for the purpose of conducting research or surveys necessary to enable the Commission to carry out its functions under this title, subject to the limitation on total expenses set forth in section 309(b).

(f) STAFF.—Subject to the rules and regulations adopted by the Commission, the Chairman of the Commission (subject to the limitation on total expenses set forth in section 309(b)) shall have the power to appoint, terminate, and fix the compensation (without regard to provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title, or of any other provision of law, relating to the number, classification, and General Schedule rates) of an Executive Director, and of such additional staff as the Chairman considers advisable, at rates not to exceed the maximum rate for GS–15 of the General Schedule under section 5332 of title 5, United States Code.

(g) EFFECT OF FEDERAL COMMITTEE ACT.—The Commission shall be considered an advisory committee under the Federal Advisory Committee Act (5 App U.S.C.).

EXPENSES OF COMMISSION

SEC. 308. (a) AVAILABILITY OF FUNDS.—Any expenses of the Commission shall be paid from such funds as may be available to the President.

(b) LIMITATION ON EXPENSES.—The total expenses of the Commission (excluding salaries) shall not exceed $500,000.

(c) AUDITING REQUIREMENT.—Before the termination of the Commission, the Comptroller General shall audit the financial books and records of the Commission to determine whether the limitation on expenses has been met.

TERMINATION

SEC. 309. The Commission shall cease to exist 9 months after the date of enactment of this Act.

FAA REAUTHORIZATION BILL

MAJOR POINTS: 3-YR REAUTHORIZATION BILL

	1993	1994	1995
Airport grants (billions)	$2.5	$2.5	$2.5
Capital (F&E)	2.7	2.9	2.9
Research	.3	.350	.4
Operations	4.7	5.1	5.5

Authorizes recovery from Trust Fund of 75 percent of FAA costs.

Increases set-aside for noise projects from 10 percent to 20 percent.

Mandates Noise Compatibility Programs (Part 150) for runway extension projects.

Establishes new Research set-aside for aircraft noise reduction technology.

Increases percentage set-aside for cargo airports and eliminates cap of $50 million.

Increases minimum amount for primary airports from $300 thousand to $400 thousand.

Provides more money for states.

Continues Essential Air Service Program and military airports program.

Links PFC authority to Essential Air Service Program.

Requires airports to make their budgets available to the public.

Extends AIP (not PFC) eligibility to federally mandated costs at airports.

Gives the FAA Administrator tenure of 5 years for administrators appointed after March 1, 1993.

Mandates FAA de-icing procedures effective 11/1/93.

Increases hiring of FAA safety inspectors.

Directs FAA to undertake rulemaking to consider more training for pilots of single engine, high performance aircraft.

Establishes Airline Consumer Protection & Competition Commission to assess the condition of the U.S. airline and aircraft industry and to make recommendations to the President and the Congress.

AIRPORT GRANTS PROGRAM

Legislation proposes changes in airport grants program formula and set-asides:

	Current	Proposed
Primary airports (percent)	46.5	40.0
Cargo	[1] 3.0	[2] 4.0
States [3]	12.0	11.0
Set-asides:		
Noise	10.0	20.0
Relievers	10.0	10.0
Military airports	1.5	1.5
Non-primary comm.	2.5	2.5
System planning	.5	.5

[1] With $50 million cap.
[2] No cap.
[3] Current dollar set-aside for Alaska remains unchanged.

Primary Airports.—Current formula is based on enplaned passengers with a per airport cap of $16 million. To date only three airports bump up against the cap. Formula money or 1992 only reaches 32.7 percent—a long way from 46.5 percent. The bill increases the minimum entitlement amount at primary airports from $300 thousand to $400 thousand. This will affect about 50 airports who currently are receiving the minimum, and will amount to about $5 million. Lowering the overall cap to 40.0 percent will not reduce the amounts received primary airports at least for the life of the bill.

Cargo.—Raising the cargo formula percentage by 1 percent from 3 percent to 4 percent, and lifting the $50 million cap, will increase the amount available for cargo from $50 million to $100 million.

States.—Reducing the formula percentage from 12 percent to 11 percent will not reduce the amount of money available to states because of higher overall grant levels. For example, 12 percent of the 1992 level is $228 million: 11 percent of the proposed level would be $275 million.

Noise.—The proposed increase would dramatically increase the amount of money available for noise compatibility planning. Current amount in 1992 is $190 million; proposed level would be $500 million

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[From the CONGRESSIONAL RECORD, Oct. 27, 1990]

Mr. FORD. Mr. President, I urge my colleagues to pass this reconciliation measure which includes a very important aviation package. After more than a week of difficult negotiations, the conference has produced legislation which will establish a national noise policy and provide for the phaseout by the end of this century of the noisy stage 2 aircraft. The bill also prohibits the addition of stage 2 aircraft to existing fleets.

The conference on the aviation issues has not been an easy one. My colleague in the House, Jim Oberstar, and I have worked more than a week crafting a compromise. Senate and House staff have met around the clock to complete the title in time. The issues we were dealing with are critical to our airlines and our airports, as well as to our citizens. I often say there are no victories in Washington, just degrees of defeat. But I don't feel defeated by the compromises in this bill. This measure will give the air carriers the assurance they need to go forward with the modernization of their fleets, to borrow money to buy the stage 3 aircraft which, ultimately, will improve the quality of life for those citizens living near airports.

After this noise policy is in place, the Secretary may grant authority to airports to impose passenger facility charges [PFC's] for specific airport projects. Before submitting an application to the Department of Transportation, airports must confer with their users and agree on the project to be funded by the additional fees. I hope that the PFC will increase airport capacity and promote growth in a system which is straining to accommodate the needs of the flying public. Provisions of the legislation require a turn back of 50 percent of entitlements by an airport which chooses to charge a PFC. This turn back money will be used to fund small hubs, small airports and general aviation airports.

The bill also authorizes contract authority from the Airport and Airway Trust Fund for the Essential Air Service Program. This will assure continued air service to small communities around the country. The aviation title continues important programs of the Federal Aviation Administration: research, capital development and airport grants, as well as the operation of the air traffic control and aircraft inspection systems.

I urge the Senate to pass this reconciliation package and I appreciate the support of my colleagues in including this aviation package.

Mr. BRADLEY. Mr. President, I thank the Senator from Kentucky, and appreciate his clarifications. I would like to ask further clarification on how the national noise policy will be implemented.

The inclusion of the national noise policy as part of budget reconciliation prevented the committee from holding public hearings and establishing congressional priorities for the policy. The bill provides for the policy to be written by the Secretary of Transportation with opportunities for involvement by citizens through public hearings and a comment period.

Through the course of the hearing process a national noise policy will be developed which will reflect a broad spectrum of interests. The people who are directly affected by aircraft noise have a special understanding of its consequences and therefore must play a part in crafting a national noise policy. It is vital that the local authorities and citizen's groups have a role in developing this policy.

I hope that the committee will exercise rigorous oversight of the development of the national noise policy to make sure that adequate public participation is granted by the Secretary.

Mr. FORD. The Senator can be assured that the committee will monitor the development of the national noise policy. One of the things we will look for is adequate citizen input. The law requires the Secretary to conduct hearings and provide for a public comment period. Congress will also have the authority to make recommendations.

I want to assure my colleagues from New Jersey that the local authorities and citizen groups will play a significant part in this process. The National noise policy should be developed with full opportunity for Federal, local, and civic input.

Mr. LAUTENBERG. Mr. President, I would like to ask the Senator from Kentucky, the chairman of the Aviation Subcommittee, for some clarification on the aviation noise provision included in this proposal.

As my colleague knows, Senator Bradley and I have been working hard to address this problem. It has been a difficult task, but we are making progress. An important part of this progress has been getting the Port Authority of New York and New Jersey, which operates the major airports in our region, to start working with us.

We oppose any policy that would preempt the accomplishments we've made, or efforts we are making. That is why we opposed the original aviation noise policy proposal.

The Senator from Kentucky acknowledged the concerns we and others raised, and has worked to modify the proposal. It is that modification that is now in this reconciliation package.

With regard to the modified proposal, I ask the Senator from Kentucky if he would confirm these points to be true:

First, this agreement would not affect noise control programs now in effect, such as those that have been adopted by the Port Authority of New York and New Jersey.

Second, that, under this proposal, an airport operator would be allowed to impose restrictions on stage 2 operations, without the approval of the FAA, and without risking the loss of AIP money. This is particularly important, as reducing the number of stage 2 planes serving Newark International is a critical part of our efforts to reduce noise in New Jersey.

Third, that the FAA or airport operator would not be prevented from working out operational changes, such as random vectoring, variation in runway use, or altitude requirements, that are designed to reduce noise impacts.

And, an airport operator could impose restrictions on the use of stage 3 planes, by barring certain types, for example, or limiting them to certain hours of operation, subject to review and approval by the FAA.

Mr. FORD. The Senator is correct on each of those points. He has made the case for his constituents, and I believe that we have taken the steps in this legislation to protect the efforts that he has been making to reduce aviation noise in New Jersey.

I also would note that this package contains, at the request of the two distinguished Senators from New Jersey, a requirement for the FAA to conduct an environmental impact statement on the expanded east coast plan. In response to concerns that have been voiced by his constituents, the bill also would not give legislative backing to the 65 Ldn standard as a measure of noise impact.

Mr. LAUTENBERG. I appreciate the clarification made by the distinguished senior Senator from Kentucky, and thank him for his efforts to modify this provision.

By Mr. BENTSEN (for himself, Mr. PACKWOOD, Mr. DOLE, Mr. ROCKEFELLER, Mr. DURENBERGER, Mr. RIEGLE, and Mr. CHAFEE):

S. 2643. A bill to amend title XVIII of the Social Security Act to limit modification of the methodology for determining the amount of time that may be billed for anesthesia services under such title, and for other purposes; to the Committee on Finance.

BILLING FOR ANESTHESIA UNDER MEDICAID

Mr. BENTSEN. Mr. President, I am introducing today a bill to resolve, at least temporarily, the issue of whether Medicare will continue to base payments for anesthesia services on the time practitioners actually spend on a case. By any standard, this is an extremely narrow and technical issue, one that should not require a legislative solution.

Unfortunately, the Health Care Financing Administration [HCFA], which administers the Medicare Program, has repeatedly expressed its intention to shift to a new system under which payment for these services would be based on the average time per case.

HCFA has adhered to this approach despite serious concerns on the part of many in Congress about its potential redistributive effects, particularly on practitioners in teaching hospitals and rural facilities, whose cases typically take longer.

The agency has advanced three main reasons for eliminating the use of actual time: Administrative simplicity; uniform treatment of all physicians; and elimination of an opportunity for practitioners to game the system by billing for excess time.

Simplicity and uniformity are laudable goals—particularly in a program as complex as Medicare—but they should not be pursued to the exclusion of other, equally important policy objectives, such as the accuracy and adequacy of payments.

Although any system dependent on self-reporting raises legitimate concerns about abuse, the entire Medicare Program relies on practitioners and providers to submit claims only for those services they actually provide. Anesthesiologists and nurse anesthetists are no different in this respect.

Moreover, a 1991 General Accounting Office [GAO] study identified no cases of fraudulent billing for anesthesia time during the period that was examined. Indeed, GAO suggests that errors in billing for actual time may have resulted in almost as many underpayments as overpayments by Medicare.

In order to guard against potential abuse in the future, this bill would require GAO to monitor and report to Congress on any changes in billing patterns for anesthesia time in the years ahead. If practitioners pad their reported times in order to offset anticipated payment reductions under the new Medicare physician fee schedule—as HCFA apparently fears they will—I stand ready to work with the agency to eliminate such abuse.

In the absence of documented problems, however, HCFA's proposed change is premature—a solution to a problem that may never arise, and one that may create as many problems as it solves. This bill would defer the solution until there is evidence a problem exists.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2643

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. BASING MEDICARE PAYMENTS FOR ANESTHESIA SERVICES ON ACTUAL TIME.

(a) PHYSICIANS' SERVICES.—Section 1848 (b)(2)(B) of the Social Security Act (42 U.S.C. 1395w-4(b)(2)(B)) is amended by adding at the end the following: "Notwithstanding any other provision of law, for anesthesia services furnished on or after January 1, 1992, and before January 1, 1997, the Secretary may not modify the methodology in effect as of January 1, 1992, for determining the amount of time that may be billed for such services under this section.".

(b) SERVICES OF CERTIFIED REGISTERED NURSE ANESTHETISTS.—Section 1833(*l*)(1)(B) of the Social Security Act (42 U.S.C.) 13951(*l*)(1)(B)) is amended by adding at the end the following: "Notwithstanding any other provision of law, for anesthesia services furnished on or after January 1, 1992, and before January 1, 1997, the Secretary may not modify the methodology in effect as of January 1, 1992, for determining the amount of time that may be billed for such services under this subsection.".

(c) STUDY ON TIME REPORTED FOR ANESTHESIA SERVICES.—

(1) CONTENTS OF STUDY.—The Comptroller General shall—

(A) study the actual time reported for anesthesia services furnished under title XVIII of the Social Security Act for high-volume surgical procedures,

(B) compare the actual time reported for a procedure during 1991 with the time reported for the same procedure during each of the 4 succeeding years,

(C) evaluate the extent to which the actual time reported for a procedure has increased or decreased during such period, and

(D) determine (to the extent practicable)—

(i) whether any increases or decreases identified under subparagraph (C) are the result of changes in patterns of medical practice, physician responses to reductions in payments for anesthesia services, or other factors, and

(ii) the effect of such increases or decreases on the total amount expended under title XVIII of the Social Security Act for anesthesia services.

(2) DESIGN OF STUDY.—The Comptroller General shall consult with the Physician Payment Review Commission (hereafter referred to as the "Commission") in designing the study required under paragraph (1).

(3) REPORTS.—

(A) INTERIM REPORT.—The Comptroller General shall transmit an interim report on the progress of the study to the Commission, the Committee on Finance of the Senate and

the Committee on Ways and Means and the Committee on Energy and Commerce of the House of Representatives not later than July 1, 1994.

(B) FINAL REPORT.—The Comptroller General shall report the results of the study to the Commission and the committees referred to in subparagraph (A) not later than July 1, 1996.

(4) EVALUATION OF REPORTS BY THE COMMISSION.—The Commission shall evaluate each report required under paragraph (3) and transmit comments on the report to the committees referred to in paragraph (3)(A) not later than 90 days after the report is received by the Commission.

Mr. PACKWOOD. Mr. President, the bill we are introducing today is very important to assure the stability of the Medicare Program. Payment reforms for physician services enacted during the 1980's have negatively impacted anesthesiologists. Making further changes in the payment methodology for anesthesia before the new Medicare fee schedule has been fully implemented may have serious affects on access to services by the Medicare population. The intent of the legislation we are introducing today is to prohibit any further changes in anesthesia payments during the 5 year transition to the new Medicare fee schedule.

An important part of this legislation is mandating that the Comptroller General conduct a study to determine if there have been any changes in billing for anesthesia time over the transition period. This study will provide us with the information we need to determine whether a change in the methodology for paying for anesthesia is warranted.

The resource based relative value scale [RBRVS] payment reforms mark the most comprehensive change to the Medicare law relating to physician payment undertaken since the Medicare law was enacted. Implementation of the new payment system involves numerous complex and difficult issues. Refinements will be necessary throughout the 5-year transition period. In light of this, I am concerned that we do not further complicate the situation with changes that could have a negative impact on access to medical services.

Mr. DOLE. Mr. President, in 1989, Congress passed and President Bush signed landmark legislation, to be implemented during a 5-year period, beginning January 1 of this year. That legislation changed, or was intended to change, how physicians would be reimbursed for treating Medicare beneficiaries. Eventually, the effects of this legislation will affect virtually every reimbursed procedure performed by a physician. This law represents the most significant change in physician payment since Medicare was originally enacted in 1965.

However, try as we may, the law was not perfect. We are, however, learning as we go, and making changes as necessary. But, one area where there appears to be no problem with the existing regulations is in the area of the reimbursement for anesthesia services.

Today, I join with Senators PACKWOOD, BENTSEN, and others in introducing a bill that would preserve the existing system and the use of actual time. I would also prohibit any further changes in payments to anesthesiologists during the 5-year transition period to full implementation of the fee schedule.

Included specifically in our bill is a mandated study by the Comptroller General to determine the extent of changes in billing, if any, for anesthesia time during this 5-year transition period. The results of the study will enable us to determine if, indeed, a change in the reimbursement method for anesthesiologists is beneficial and warranted in the future.

The changes in the payments to physicians will take place within the context of a system of many movable parts. In light of this fact, I believe that it is best right now that we not further complicate the process by fixing something before we even know if it's broken.

By Mrs. KASSEBAUM:

S. 2644. A bill to require the Secretary of Transportation to require passenger and freight trains to install and use certain lights for the purposes of safety; to the Committee on Commerce, Science, and Transportation.

LEGISLATION TO REQUIRE TRAIN DITCH LIGHTS

Mrs. KASSEBAUM. Mr. President, on the evening of February 14, three Kansas teenagers were tragically killed when the car they were driving was broadsided by a freight train. Witnesses to the accident say the car's brake lights did not even flash prior to the accident. Apparently, despite the fact that its whistle was sounding and it headlight was illuminated, the teenagers had no idea of the train's presence.

Frankly, car/train accidents that occur because a motorist does not see or does not recognize an oncoming train are all too frequent. In 1991, in the State of Kansas, which is one of the best in terms of grade crossing safety, there were 102 car/train accidents. Twenty-two of these accidents occurred at night at grade crossings that were not protected by drop arms and flashing lights. I am convinced that the majority of these accidents happened because the motorist did not realize a train was approaching the crossing.

At the present time, Federal regulations require all trains in route to have one illuminated headlight, and to sound their whistle at grade crossings. While one headlight and a loud whistle may have enough to warn motorists of an approaching train at one point in our Nation's history, I do not believe these warning devices are sufficient today. The vast number of bright lights that are now so common in our night sky have diluted the effectiveness of a train's headlight. In addition, car stereos now can make train whistles inaudible.

In order to give motorists more warning of an approaching train, I am introducing legislation today that will require all trains to have their engines equipped with ditch lights. These are lights which illuminate the sides of the engine and the areas contiguous to the tracks. Such lights are already being used on an experimental basis by two of our Nation's railroad companies—the Union Pacific and Burlington Northern—and they appear to make it easier for motorists to recognize trains and judge their speed and distance.

Mr. President, requiring ditch lights on train engines is not prohibitively expensive and can save lives. It is my sincere hope that the Senate will move quickly to pass this legislation so that accidents, similar to the one that claimed the lives of three Kansas teenagers on Valentine's Day, can be prevented.

By Mr. LAUTENBERG (for himself and Mr. D'AMATO):

S. 2645. A bill to require the promulgation of regulations to improve aviation safety in adverse weather conditions, and for other purposes; to the Committee on Commerce, Science, and Transportation.

REGULATIONS TO IMPROVE WINTER WEATHER FLYING SAFETY

• Mr. LAUTENBERG. Mr. President, today I am introducing legislation to improve the safety of airline passengers in winter weather conditions. Specifically, this legislation would require the Federal Aviation Administration to fulfill neglected responsibilities, and promulgate regulations to address shortcomings in the area of airplane deicing. I am pleased to be joined in introducing this bill by Senator D'AMATO.

The recent crash of USAir flight 405 at LaGuardia Airport on March 22, 1992 again focused attention on the potential dangers of winter flying. Although the exact cause of the crash is yet to be determined by the National Transportation Safety Board, the apparent role of ice on the wing of the aircraft has raised serious concerns about existing deicing procedures.

As chairman of the Transportation Appropriations Subcommittee, I have held two hearings to look into these concerns. The purpose was not to fix blame. My goal is to see that everything possible is done to prevent this type of tragedy from happening again. Our hearings showed clearly that not enough has been done.

On April 2, I held a hearing on the fiscal year 1993 budget request for the National Transportation Safety Board. As part of that hearing, the subcommittee heard about the progress of

the NTSB's investigation into this crash. In her testimony, acting NTSB Chairman Susan Coughlin said that the most troubling thing that they've learned so far is that, despite the fact that the crew of flight 405 appears to have done everything it was supposed to, the crash still happened.

Therefore, the focus of our attention should be on the shortcomings of the procedures approved and required by the FAA for winter flying.

On April 16, I chaired a hearing to look more closely into those procedures. It is absolutely clear that improvements need to be made.

Current procedures, under regulations issued in the 1950's, put the major and final burden for determining whether or not a plane can safely leave the ground with the pilot. Under existing situations, it's a burden that's unfairly placed. Certainly, the pilot has the responsibility for operating his or her aircraft safely, and that authority should not be restricted. But, we have to ensure that the pilot has the information needed to make the best judgment possible.

It's absurd to think that, on a snowy or rainy night, a pilot can look out the cockpit window at a dark wing and determine that it is free of any buildup of ice. But, that is just what happens today.

There is little or no coordination among the various parties involved. The airport operators are responsible for keeping the runways clear and free of ice or snow, but they have little or no role in keeping traffic moving on the ground. The FAA, through the air traffic control system, is responsible for moving that traffic from the gates to the taxiways and runways, and, of course, in the air. But, the FAA seems to have paid little or no attention to when planes are deiced, and doesn't work to get those planes off the ground as quickly as necessary.

Although we don't know everything that happened on the night of March 22, and what may have contributed to the crash, we do know these facts. First, that weather conditions were sufficiently bad to require deicing, and that this plane was deiced. Second, that the type of deicer used has a holdover, or effective, time of only 15 minutes under conditions existing on that night. Third, that the aircraft manufacturer had recommended that absolutely no more than that amount of time should be allowed to elapse between deicing and takeoff. Fourth, that the plane was held on the ground for more than twice the recommended time before being cleared for takeoff.

What this amounted to is a system that didn't work; whose parts were unconnected, and inattentive to each others' needs. Although the FAA is the one entity that can bring together the needs, interests, and responsibilities of pilots, airlines, airports, and the air traffic control system, it has failed to do so. Under this legislation, the FAA would no longer be able to avoid that responsibility.

If an airline uses a deicer with a very limited holdover time, it should only be allowed to do so if it knows that its planes will be able to takeoff within the prescribed time, while the deicer is working. That will require the cooperation of a number of parties, including the airline, the pilot, the airport operator, and the FAA's air traffic control system. It may require the use of centralized deicing facilities, located nearer the runways. It may require ground personnel to conduct physical inspections of wings, rather than just relying on a visual inspection from inside the cockpit.

The legislation I'm introducing today will require the FAA to initiate a rulemaking on these and other deicing issues. And, before the next winter season hits, we'll have the results of that rulemaking. An interim final rule would be issued by October 1, and a final rule no more than 60 days after that.

While we look back and mourn the tragic deaths of the 27 passengers and crew aboard USAir flight 405, we must also look ahead, to protect the thousands of people who may board planes under similar weather conditions in the years to come. When people sit down on a plane and buckle their seatbelts, they have a right to expect that everything possible has been done to assure their safe passage. My concern is that everything is not being done. By carrying out the mandates of this legislation, the FAA can take a major step forward in providing passengers with the safety and peace of mind that they deserve.

I ask unanimous consent that the text of this legislation be included in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2645

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. SAFETY RULEMAKING.

(a) NOTICE OF PROPOSED RULEMAKING.—Not later than 30 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration (hereinafter referred to as the "Administrator") shall issue a notice of proposed rulemaking to require improved measures to enhance the safety of aircraft operations in adverse winter weather conditions. Such notice of proposed rulemaking shall address, but not be limited to—

(1) the need to require uniform procedures and standards for deicing aircraft prior to takeoff, including the use of particular deicing agents;

(2) limitations on elapsed time allowed between deicing and takeoff, and improvements in coordination between air traffic control procedures and air carrier operations to minimize such elapsed time, and ensure that aircraft are not cleared for takeoff if the holdover time of their deicing procedure has been exceeded;

(3) requirements for deicing facilities, and the use thereof, in close proximity to the point of takeoff at United States airports;

(4) modifications to Federal Aviation Administration procedures for certifying aircraft for operation in the United States, to require notification to operators of such aircraft of applicable safety recommendations made by the manufacturers of such aircraft;

(5) the implementation of relevant recommendations issued by the National Transportation Safety Board; and

(6) modifications to procedures for determining when aircraft require deicing and whether such aircraft can safely operate under conditions which compel the use of deicing agents.

(b) INTERIM REGULATIONS.—Not later than October 1, 1992, the Administrator shall issue interim final regulations regarding the items referred to in subsection (a).

(c) FINAL REGULATIONS.—Not later than 60 days after the issuance of interim final regulations, the Administrator shall issue final regulations regarding the items referred to in subsection (a).•

• Mr. D'AMATO. Mr. President, I rise to join my distinguished colleague, Senator LAUTENBERG, in introducing a bill to improve the safety of winter operations at our Nation's airports. We pledged to introduce this bill at a field hearing of the Appropriations Subcommittee on Transportation and Related Agencies, which was held in New York City on April 16. This hearing focused on the tragic crash of USAir flight 405, at LaGuardia Airport on March 22, 1992.

USAir flight 405 crashed while attempting to take off in a snowstorm. The aircraft had been deiced twice; however, clearance to take off was not given until over 30 minutes from the last deicing; 27 of the 51 people aboard flight 405 were killed.

Many questions have arisen as to the role ice and snow played in this tragedy. Formal findings from the National Transportation Safety Board [NTSB] will require months of investigation.

There have been eight major takeoff accidents/incidents involving commercial aircraft over the past 15 years whose causes are traced to ice buildup while on the ground. According to NTSB, ice has been a factor in 24 crashes and 138 fatalities over the past 10 years—these data include general aviation. By next winter, I believe concrete measures can and must be taken by FAA to ensure safer air travel.

There are some weather-related problems from which aircraft cannot be protected—deicing is not one of them. Aircraft deicing issues have little to do with "Nature" with a capital "N," and more to do with "human nature"—which is subject to pressures to meet airline schedules, to reduce aircraft flow congestion, to keep airport operations moving, and to keep costs down.

Under Federal aviation regulations, pilots make the final decision whether

or not to take off. These rules, which became effective in 1950, also require pilots to assure that frost, ice, or snow are not adhering to the wings, control surfaces, or propellers of the aircraft. After the 1982 Air Florida crash, FAA called for pilots to follow this clean aircraft approach.

Pilots sometimes cannot be sure that an aircraft is clean of snow/ice due to factors such as: nighttime operations; poor light/visibility conditions; lack of overwing windows on some cargo flights; and inability to make close inspection (sandpaper thin layers of ice could reduce lift). It is not within pilots' capabilities to meet FAA's standards at all times. Pilots often make judgments that snow/ice will blow off during takeoffs without having the facts needed to make those calls.

It is more than 10 years since Air Florida crashed—killing 78 people—about a mile from the White House. Its wings and engine intakes were loaded with ice, and it had waited 49 minutes after deicing to take off. In 1982, FAA issued an advisory circular on "clean aircraft procedures," followed in 1987 by an operations bulletin. These measures have not been sufficient.

Strict guidelines on deicing procedures, fluids, maximum holdover times, locations of deicing equipment, training of employees, et cetera, have been bottled up in industry task forces since 1988. Safety has taken a back seat while industry groups have debated these guidelines, and FAA has done nothing to accelerate the process: No sanctions, no deadlines, no leadership.

FAA has neglected to take steps within its power. It is time for action. FAA must enact strict, objective deicing standards that interweave air traffic control, pilots, airports, and airlines. It can be done. Indeed, FAA has now promised that it will take the steps needed. Congress must ensure that FAA accomplishes this task.

It is time to take the guesswork out of aircraft winter operations. I urge my colleagues to support this bill.●

By Mr. LUGAR (for himself, Mr. LEAHY, Mr. COCHRAN, and Mr. HEFLIN):

S. 2646. A bill to amend the Rural Electrification Act of 1936 to provide eligible rural electric borrowers with the means to secure necessary financing from private sources; to the Committee on Agriculture, Nutrition, and Forestry.

ELECTRIC FINANCING AMENDMENTS ACT

● Mr. LUGAR. Mr. President, I am pleased to join with Senators LEAHY, HEFLIN, and COCHRAN in sponsoring this legislation, the Rural Electric Financing Amendments Act of 1992.

This legislation is designed to make needed reforms to the rural electric financing programs of the Rural Electrification Administration [REA]. All of these changes are necessary to modernize and strengthen the REA program, and to encourage and facilitate the obtaining of private capital by rural electric cooperatives. Importantly, this legislation will offer distribution borrowers who are not in default on the repayment of their loans the opportunity to prepay their loans and seek financing from other commercial sources.

This legislation will reinstate a general funds policy that will place limitations on the amount of capital that a rural electric cooperative can have and still obtain an REA insured loan. REA had such a policy until the mid-1980's. The proposed legislation states that a rural electric cooperative will be unable to obtain an REA loan if it has general funds that exceed 8 percent of its total utility plant plus its highest wholesale power bill during the most recent 12-month period. I believe that this is a reasonable restriction. It strikes a reasonable balance: cooperatives will be able to retain sufficient capital to meet their cash needs, and those cooperatives that choose to retain more than this amount will be required to first use these excess reserves before applying for an REA loan. This policy will help to reduce the current backlog of REA loan applications, and thereby reduce the amount of time—currently more than one full year—that a borrower will have to wait between the time of applying for and receiving an REA loan.

This legislation also will require REA to provide lien accommodations for private loans. Today there are rural electric cooperatives that would like to obtain private loans to construct electric lines or to make needed improvements in their electric facilities. These cooperatives are willing to pay the higher cost of a private loan, but have often been unable to get the loan. The problem is that the private lender must have some security for the loan. Such security most often is the same property securing the REA loan. Without such security the private lender is unwilling or unable to make the loan.

The proposed provision will provide the private lender with a lien on the borrower's property on an equal and pro rata basis with REA's lien. REA will grant such a lien, unless it determines that the borrower will be unable to repay its Government loans and guarantees. The REA should be willing, in the absence of adverse financial considerations, to accommodate its lien on an equal and pro rata basis in order to facilitate the obtaining of private capital by rural electric cooperatives.

There are some who will argue that REA has the authority under current law to grant lien accommodations and that because this can be done administratively no legislation is required. While administratively it may be true that REA is empowered to grant such lien accommodations, the facts show that the red tape and long delays have made this private capital option not a viable one. Legislation to mandate these lien accommodations is fully consistent with the administration's long-standing policy of encouraging private capital where it is reasonable and affordable.

Last, this legislation will permit rural electric systems to prepay their insured electric loans. These prepayments will be discounted to account for the fact that REA loans are at a 5-percent interest rate and are therefore not worth their face value. The Administrator of REA will determine the discount rate, but the rate cannot be less than the Government's cost of money. The legislation recognizes that if the discount rate is above the cost of money to the Government, the Government would incur a loss, and an appropriation would be required before such a discount could occur. A borrower that receives a discount that results in a loss to the Government would be ineligible to obtain future REA insured loans.

I am pleased that this provision is included in the legislation being introduced today. It will enable those borrowers who choose to prepay their REA loans to escape from the many requirements and restrictions imposed by REA.

Before I conclude this introductory statement, I would like to commend the rural electric cooperatives for the time and effort they have devoted to developing the ideas included in this bill. This is a very progressive, responsible and practical measure. I believe that the proposed legislation will help to strengthen REA because it will give rural electric cooperatives more flexibility in meeting their financing needs and in serving their customers. Rural America is diverse and complex and Government programs must reflect and accommodate this.

This is important legislation. It already enjoys the endorsement of the National Rural Electric Cooperative Association. I believe that its provisions are fully consistent with long-standing administration policy and that it will be favorably viewed by the administration. While some minor modifications to the statutory language may be necessary to acquire the complete support of all interested parties, I have no doubt that the President will sign this measure when it reaches his desk. I am committed to working hard to ensure that this bill is enacted before the end of this year, and I urge my colleagues to join me in this effort.●

By Mr. CRANSTON (for himself, Mr. DECONCINI, and Mr. AKAKA):

S. 2647. A bill to amend title 38, United States Code, and title 10, United States Code, to revise and improve educational assistance programs for veter-

ans and members of the Armed Forces, to improve certain vocational assistance programs for veterans, and for other purposes; to the Committee on Veterans' Affairs.

VETERANS' READJUSTMENT BENEFITS IMPROVEMENT ACT OF 1992

• Mr. CRANSTON. Mr. President, as chairman of the Committee on Veterans' Affairs, I have today introduced S. 2647, the proposed Veterans' Readjustment Benefits Improvement Act of 1992. This bill would revise and improve educational assistance programs for veterans and members of the Armed Forces, improve certain pension and vocational assistance programs for veterans, and expand the job counseling, training, and placement service for veterans. I am pleased to be joined in introducing this bill by committee members DECONCINI and AKAKA.

Mr. President, while our bill would bring many substantive improvements to veteran benefits, I wish to note particularly two cost-of-living provisions which are very much needed but for which there is as yet no established funding offset to meet the pay-as-you-go requirements of the Budget Enforcement Act. Our bill would, first, provide an increase in the educational assistance allowance under the Montgomery GI bill [MGIB] and, second, provide an increase in the subsistence allowance for service-disabled veterans participating in a program of vocational rehabilitation. Both increases are clearly needed in order to counter the effects of inflation on the value of the benefits.

Mr. President, because of the importance of educational assistance benefits in helping former service members in their transition to civilian life, and because of the fundamental obligation we have to assist disabled veterans in their pursuit of vocational rehabilitation, I am introducing these cost-of-living provisions in the bill that will be considered at a hearing of the Veterans' Affairs Committee on May 13. I believe it is important that we receive testimony on these provisions while we continue our efforts to develop the means of bringing them into budgetary compliance.

SUMMARY OF MAJOR PROVISIONS

Mr. President, our bill contains substantive provisions that would:

First, increase the MGIB basic monthly benefit for active-duty service members from $350 to $450 and the basic monthly benefit for reservists from $170 to $200—with proportional increases for part-time study in both cases.

Second, permit reservists to pursue graduate training under the MGIB.

Third, permit reservists to receive tutorial assistance under the MGIB.

Fourth, provide that individuals who are discharged after less than 12 months of active duty and later reenlist or later reenter on active duty are eligible to participate in the MGIB. Any reductions in basic pay during a prior period of service would be counted toward the $1,200 pay reduction required for MGIB eligibility.

Fifth, permit active duty participations in the MGIB to receive benefits at the same rate as veterans when training on a half-time or more basis.

Sixth, provide that an individual who initially serves a continuous period of at least 3 years of active-duty service, even though he or she was initially obligated to serve less than 3 years of active duty, is eligible for the same level of MGIB benefits as an individual whose initial obligated period of active-duty service was for 3 years or more.

Seventh, eliminate the requirement for the Department of Veterans Affairs to pay work-study participants their work-study allowance in advance of the performance of services.

Eighth, modify the accredited-school-approval requirements by (a) repealing the requirement that elementary and secondary schools furnish a copy of a catalog in applying for approval of an accredited course by a State approving agency [SSA], and (b) adding a requirement that schools that have and enforce standards of attendance must submit these standards to the SAA for approval.

Ninth, bar veterans' educational assistance for a course paid for under the Government Employees Training Act.

Tenth, provide that the effective date of termination of an educational assistance allowance by reason of the death of the payee of an advance payment would be the last date of the period for which the advance payment was made.

Eleventh, allow a student who successfully completed a program of education with VA benefits to pursue another program of education and allow a change in the type of training pursued if there is no change in the vocational objective.

Twelfth, amend course measurement requirements to (a) eliminate the benefit differential for independent study and other nontraditional types of training in accredited undergraduate degree programs that have been approved by SAA's; (b) prohibit the use of benefits for nonaccredited independent study; (c) eliminate the standard class-session requirement; (d) base benefit payments for concurrent pursuit of graduate and undergraduate training on the training time certified by the school, rather than the current conversion computations; (e) replace a complex statutory measurement criterion for the payment of benefits for study at institutions of higher learning with a benefit based on the school's measurement system; and (f) eliminate the benefit differential for accredited and nonaccredited non-college-degree courses.

Thirteenth, permit refresher training for the service-disabled veterans' survivors and dependents who are eligible for educational assistance under chapter 35 of title 38, United States Code.

Fourteenth, permit participation in the MGIB for an individual who after September 30, 1992, receives a commission as an officer in the Armed Forces upon graduation from a military academy or upon completion of a senior ROTC program.

Fifteenth, make permanent the programs of 12-month trial work periods and vocational rehabilitation outreach for veterans who have total disability ratings based on individual unemployability.

Sixteenth, make permanent and totally voluntary the program of vocational evaluation and training for pension recipients and the 3-year protection of VA health-care eligibility for veterans who lose their pension due to employment income.

Seventeenth, increase by 10 percent the subsistence allowance for veterans with service-related disabilities who participate in a training and vocational rehabilitation program under chapter 31 of title 38.

Eighteenth, restore vocational rehabilitation for veterans rated 10-percent disabled who the Secretary of Veterans Affairs determines have serious employment handicaps resulting from their service-connected disability.

Nineteenth, provide that, where a new application for pension or for parents' dependency and indemnity compensation is filed within 1 year after renouncement of that benefit, the application shall not be treated as an original application and benefits will be payable as if the renouncement had not occurred.

Twentieth, expand the formula for the appointment of disabled veterans' outreach program specialists to include Vietnam-era veterans, veterans who first entered on active duty after the end of the Vietnam era, May 7, 1975, and disabled veterans.

CONCLUSION

Mr. President, I urge my colleagues to support this legislation to improve veterans' readjustment benefits.

Mr. President, I ask unanimous consent that the text of the bill be inserted in the RECORD.•

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2647

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This Act may be cited as the "Veterans' Readjustment Benefits Improvement Act of 1992".

TITLE I—EDUCATIONAL ASSISTANCE PROGRAMS

SEC. 101. INCREASE IN AMOUNT OF BASIC EDUCATIONAL ASSISTANCE.

(a) ALL VOLUNTEER FORCE.—(1) Subsection (a) of section 3015 of title 38, United States Code, is amended—

(A) in the matter above paragraph (1), by striking out "(e), and (f)" and inserting in lieu thereof "(e)"; and

(B) in paragraph (1), by striking out "$300" and inserting in lieu thereof "$450".

(2) Subsection (b) of such section is amended—

(A) in the matter above paragraph (1), by striking out "(e), and (f)" and inserting in lieu thereof "(e)"; and

(B) in paragraph (1), by striking out "$250" and inserting in lieu thereof "$375".

(3) Subsection (c) of such section is amended by striking out "$400" and "$700" and inserting in lieu thereof "$550" and "$850", respectively.

(4) Subsection (f) of such section is repealed.

(b) SELECTED RESERVE.—Subsection (b) of section 2131 of title 10, United States Code, is amended—

(1) by striking out "(b)(1) Except as provided in paragraph (2) and" and inserting in lieu thereof "(b) Except as provided in";

(2) by striking out paragraph (2);

(3) by redesignating subparagraphs (A), (B), (C), and (D) as paragraphs (1), (2), (3), and (4), respectively;

(4) in paragraph (1), as redesignated by paragraph (3) of this subsection, by striking out "$140" and inserting in lieu thereof "$200";

(5) in paragraph (2), as redesignated by paragraph (3) of this subsection, by striking out "$105" and inserting in lieu thereof "$150"; and

(6) in paragraph (3), as redesignated by paragraph (3) of this subsection, by striking out "$70" and inserting in lieu thereof "$100".

(c) CONFORMING AMENDMENTS.—(1) Subsection (f)(2) of such section is amended by striking out "(b)(1)(A)" and inserting in lieu thereof "(b)(1)".

(2) Subsection (g)(3) of such section is amended by striking out "(b)(1)(A)" and inserting in lieu thereof "(b)(1)".

(d) EFFECTIVE DATES.—The amendments made by subsections (a), (b), and (c) shall take effect on September 31, 1992, and shall apply to amounts of educational assistance paid for education or training pursued on or after that date.

SEC. 102. AUTHORITY OF MEMBERS OF SELECTED RESERVE TO PURSUE GRADUATE COURSES OF EDUCATION.

Section 2131(c)(1) of title 10, United States Code, is amended by striking out "other than a program" and all that follows through the end of the sentence and inserting in lieu thereof a period.

SEC. 103. AUTHORITY OF MEMBERS OF SELECTED RESERVE TO RECEIVE TUTORIAL ASSISTANCE.

Section 2131 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(h)(1)(A) Subject to subparagraph (B), the Secretary of Veterans Affairs shall approve individualized tutorial assistance for any person entitled to educational assistance under this chapter who—

"(i) is enrolled in and pursuing a post-secondary course of education on a half-time or more basis at an educational institution; and

"(ii) has a deficiency in a subject required as a part of, or which is prerequisite to, or which is indispensable to the satisfactory pursuit of, the program of education.

"(B) The Secretary of Veterans Affairs shall not approve tutorial assistance for a person pursuing a program of education under this paragraph unless such assistance is necessary for the person to successfully complete the program of education.

"(2) The Secretary concerned, through the Secretary of Veterans Affairs, shall pay to a person receiving tutorial assistance pursuant to paragraph (1) a tutorial assistance allowance. The amount of the allowance payable under this paragraph may not exceed $100 per month, for a maximum of twelve months, or until a maximum of $1,200 is utilized. The amount of the allowance paid under this paragraph shall be in addition to the amount of educational assistance allowance payable to a person under this chapter.

"(3)(A) A person's period of entitlement to educational assistance under this chapter shall be charged only with respect to the amount of tutorial assistance paid to the person under this subsection in excess of $600.

"(B) A person's period of entitlement to educational assistance under this chapter shall be charged at the rate of one month for each amount of assistance paid to the individual under this section in excess of $600 that is equal to the amount of the monthly educational assistance allowance which the person is otherwise eligible to receive for full-time pursuit of an institutional course under this chapter.".

SEC. 104. TREATMENT OF CERTAIN ACTIVE DUTY SERVICE TOWARD ELIGIBILITY FOR EDUCATIONAL ASSISTANCE.

(a) TREATMENT OF SERVICE.—Subsection (d) of section 3011 of title 38, United States Code, is amended—

(1) in paragraph (1), by striking out "(2) and (3)" and inserting in lieu thereof "(2), (3), and (4)"; and

(2) by adding at the end the following new paragraph:

"(4) The period of service referred to in paragraph (1) of this subsection, in the case of a member referred to in subclause (I) or (III) of subsection (a)(1)(A)(ii) of this section who reenlists or re-enters on active duty, also includes any period, not exceeding 12 months of continuous active duty, from which the member was discharged as described in such subclause (I) or (III).".

(b) ADJUSTMENT IN REDUCTION OF BASIC PAY.—Subsection (b) of such section is amended—

(1) by striking out "(b) The" and inserting in lieu thereof "(b)(1) The"; and

(2) by adding at the end the following new paragraph:

"(2)(A) The number of months of basic pay of a member referred to in subparagraph (B) of this paragraph that shall be reduced under paragraph (1) of this subsection shall be 12 minus the number of months that the member's basic pay was reduced during the member's preceding period or periods of active duty.

"(B) Subparagraph (A) of this paragraph applies to a member of the Armed Forces—

"(i) whose basic pay was reduced under paragraph (1) of this subsection for any period of active duty service referred to in paragraph (4) of subsection (d) that the member served prior to the member's reenlistment or reentry on active duty; and

"(ii) who does not make an election under subsection (c)(1) of this section upon such reenlistment or reentry.".

SEC. 105. EDUCATIONAL ASSISTANCE FOR ACTIVE DUTY MEMBERS PURSUING PROGRAM OF EDUCATION ON MORE THAN HALF-TIME BASIS.

Subsection (a) of section 3032 of title 38, United States Code, is amended to read as follows:

"(a) The amount of the monthly educational assistance allowance payable to an individual entitled to educational assistance under this chapter who pursues a program of education on less than half-time basis is the amount determined under subsection (b) of this section.".

SEC. 106. EDUCATIONAL ASSISTANCE FOR CERTAIN PERSONS WHOSE INITIAL PERIOD OF OBLIGATED SERVICE WAS LESS THAN THREE YEARS.

Section 3015 of title 38, United States Code (as amended by section 101), is amended—

(1) in subsection (a), by inserting ", and (f)" after "(e)";

(2) in subsection (b), by inserting ", and (f)" after "(e)";

(3) by redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively;

(4) in subsection (d) (as redesignated by paragraph (3)), by striking out "(a) and (b)" and inserting in lieu thereof "(a), (b), and (c)"; and

(5) by inserting after subsection (b) the following new subsection (c):

"(c)(1) The amount of basic educational allowance payable under this chapter to an individual referred to in paragraph (2) of this subsection is the amount determined under subsection (a) of this section.

"(2) Paragraph (1) of this subsection applies to an individual entitled to an educational assistance allowance under section 3011 of this title—

"(A) whose initial obligated period of active duty is less than three years;

"(B) who, beginning on the date of the commencement of the person's initial obligated period of such duty, serves a continuous period of active duty of not less than three years; and

"(C) who, after the completion of such period of active duty, meets one of the conditions set forth in subsection (a)(3) of such section 3011.".

SEC. 107. REPEAL OF ADVANCE PAYMENT OF WORK-STUDY ALLOWANCE.

Section 3485(a) of title 38, United States Code, is amended by striking out the third sentence.

SEC. 108. REVISION OF REQUIREMENTS RELATING TO APPROVAL OF ACCREDITED COURSES.

(a) REVISION OF REQUIREMENTS.—Subsection (a) of section 3675 of title 38, United States Code, is amended—

(1) by striking out "(a)" and inserting in lieu thereof "(a)(1)";

(2) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively; and

(3) by striking out the matter below subparagraph (C) (as so redesignated) and inserting in lieu thereof the following new paragraphs:

"(2)(A) For the purposes of this chapter, the Secretary of Education shall publish a list of nationally recognized accrediting agencies and associations which that Secretary determines to be reliable authority as to the quality of training offered by an educational institution.

"(B) A State approving agency may, upon concurrence, utilize the accreditation of any accrediting association or agency listed pursuant to subparagraph (A) of this paragraph for approval of courses specifically accredited and approved by such accrediting association or agency.

"(3)(A) An educational institution shall submit an application for approval of courses to the appropriate State approving agency. In making application for approval, the institution (other than an elementary school or secondary school) shall transmit to the

State approving agency copies of its catalog or bulletin which must be certified as true and correct in content and policy by an authorized representative of the institution.

"(B) Each catalog or bulletin transmitted by an institution under subparagraph (A) of this paragraph shall—

"(i) state with specificity the requirements of the institution with respect to graduation;

"(ii) include the information required under paragraphs (6) and (7) of section 3676(b) of this title; and

"(iii) include any attendance standards of the institution, if the institution has and enforces such standards.".

(b) TECHNICAL AMENDMENT.—Subsection (a)(1)(B) of such section (as redesignated by subsection (a)(2)) is amended by striking out "sections 11–28 of title 20;" and inserting in lieu thereof "the Act of February 23, 1917 (20 U.S.C. 11 et seq.);".

SEC. 109. BAR OF ASSISTANCE FOR PERSONS WHOSE EDUCATION IS PAID FOR AS FEDERAL EMPLOYEE TRAINING.

Section 3681(a) of title 38, United States Code, is amended by striking out "and whose full salary" and all that follows through the period and inserting in lieu thereof a period.

SEC. 110. TREATMENT OF ADVANCE PAYMENTS OF CERTAIN ASSISTANCE TO VETERANS WHO DIE.

(a) TREATMENT.—Section 3680(e) of title 38, United States Code, is amended—

(1) by striking out "(e) If" and inserting in lieu thereof "(e)(1) Subject to paragraph (2), if"; and

(2) by adding at the end the following new paragraph:

"(2) Paragraph (1) shall not apply to the recovery of an overpayment of an educational allowance or subsistence allowance advance payment to an eligible veteran or eligible person who fails to pursue a course of education for which the payment is made if such failure is due to the death of the veteran or person.".

(b) TECHNICAL AMENDMENT.—Section 3680(e) of such title (as amended by subsection (a)) is further amended by striking out "eligible person," and inserting in lieu thereof "eligible person".

SEC. 111. CLARIFICATION OF PERMITTED CHANGES IN PROGRAMS OF EDUCATION.

Subsection (d) of section 3691 of title 38, United States Code, is amended to read as follows:

"(d) For the purposes of this section, the term 'change of program of education' shall not be deemed to include a change by a veteran or eligible person from the pursuit of one program to the pursuit of another if—

"(1) the veteran or eligible person has successfully completed the first program;

"(2) the second program leads to a vocational, educational, or professional objective in the same general field as the first program; or

"(3) the first program is a prerequisite to, or generally required for, pursuit of the second program.".

SEC. 112. DISAPPROVAL OF NONACCREDITED INDEPENDENT STUDY.

(a) PROHIBITION OF APPROVAL OF NONACCREDITED COURSES.—Section 3676 of title 38, United States Code, is amended by adding at the end the following new subsection:

"(e) Notwithstanding any other provision of this title, a course of education which has not been approved by a State approving agency pursuant to section 3675 of this title may not be approved under this section if it is to be pursued, in whole or in part, by independent study.".

(b) REQUIREMENT OF DISAPPROVAL OF ENROLLMENT IN CERTAIN COURSES.—

(1) IN GENERAL.—Section 3473 of title 38, United States Code, is—

(A) transferred to chapter 36 and inserted after section 3679; and

(B) redesignated as section 3679A.

(2) APPLICATION.—Such section 3679A is amended—

(A) in subsection (a)(4), by striking out "one" and inserting in lieu thereof "an accredited independent study program";

(B) in subsection (d)(1), by striking out "32, 35, or 36" in the third sentence and inserting in lieu thereof "32, or 35"; and

(C) by striking out paragraph (2) of subsection (d) and inserting in lieu thereof the following new paragraph (2):

"(2) Paragraph (1) of this subsection does not apply with respect to the enrollment of a veteran—

"(A) in a course offered pursuant to section 3019, 3034(a)(3), 3234, 3241(a)(2), or 3533 of this title;

"(B) in a farm cooperative training course; or

"(C) in a course described in section 3689(b)(6) of this title.".

(3) SURVIVORS' AND DEPENDENTS' ASSISTANCE.—Section 3523(a)(4) of such title is amended by striking out "one" and inserting in lieu thereof "an accredited independent study program".

(c) CONFORMING AMENDMENTS.—

(1) TITLE 38.—(A) Section 3034 of title 38, United States Code, is amended—

(i) in subsection (a)(1), by striking out "3473,"; and

(ii) in subsection (d)(1), by striking out "3473(b)" and inserting in lieu thereof "3679A(b)".

(B) Section 3241 of such title is amended—

(i) in subsection (a)(1), by striking out "3473,";

(ii) in subsection (b)(1), by striking out "3473(b)" and inserting in lieu thereof "3679A(b)"; and

(iii) in subsection (c), by striking out "3473,".

(2) TITLE 10.—Section 2136 of title 10, United States Code, is amended—

(A) in subsection (b), by striking out "1673," ; and

(B) in subsection (c)(1), by striking out "1673(b)" and inserting in lieu thereof "3679A(b)".

(d) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of chapter 34 of title 38, United States Code, is amended by striking out the item relating to section 3473.

(2) The table of sections at the beginning of chapter 36 of such title is amended by inserting after the item relating to section 3679 the following new item:

"3679A. Disapproval of enrollment in certain courses.".

(e) SAVINGS PROVISION.—The amendments made by subsections (a) and (b) shall not apply to any person who is receiving educational assistance under chapter 30, 32, or 35 of title 38, United States Code, or chapter 106 of title 10, United States Code, on the date of the enactment of this Act for pursuit of an independent study program—

(1) in which the person is enrolled on that date;

(2) in which the person remains continuously enrolled thereafter (until completion of the program by the person); and

(3) for which the person continues to meet the eligibility requirements for such assistance that apply to the person on that date.

SEC. 113. REVISIONS IN MEASUREMENT OF COURSES.

(a) ELIMINATION OF STANDARD CLASS SESSION REQUIREMENT.—

(1) TRADE OR TECHNICAL COURSES.—Subsection (a)(1) of section 3688 of title 38, United States Code, is amended by striking out "thirty hours" and all that follows through "full time" and inserting in lieu thereof "22 hours per week of attendance (excluding supervised study) is required, with no more than 2½ hours per week of rest periods allowed".

(2) COURSES LEADING TO STANDARD COLLEGE DEGREES.—Subsection (a)(2) of such section is amended by striking out "twenty-five hours" and all that follows through "full time" and inserting in lieu thereof "18 hours per week net of instruction (which shall exclude supervised study but may include customary intervals not to exceed 10 minutes between hours of instruction) is required".

(b) TREATMENT OF CERTAIN COURSES OFFERED BY INSTITUTIONS OF HIGHER LEARNING.—

(1) GRADUATE COURSES.—Subsection (a)(4) of such section is amended—

(A) by striking out "in residence"; and

(B) by inserting "(other than a course pursued as part of a program of education beyond the baccalaureate level)" after "semester-hour basis".

(2) COURSES NOT LEADING TO COLLEGE DEGREES.—Subsection (a)(7) of such section is amended to read as follows:

"(7) an institutional course not leading to a standard college degree offered by an institution of higher learning on a standard quarter- or semester-hour basis shall be measured as full time on the same basis as provided for in clause (4) of this subsection, except that such a course may not be measured as full time if the course requires less than the minimum weekly hours of attendance required for full-time measurement under clause (1) or (2) of this subsection, as the case may be.".

(c) MEASUREMENT OF REFRESHER COURSES.—Subsection (a)(6) of such section is amended by striking out "an institutional course" and all that follows through "of this title" and inserting in lieu thereof "an institutional course offered by an educational institution under section 3034(a)(3), 3241(a)(2), or 3533(a) of this title as part of a program of education not leading to a standard college degree".

(d) MEASUREMENT OF PART-TIME TRAINING.—Subsection (b) of such section is amended by striking out "34 or 35" and inserting in lieu thereof "30, 32, or 35".

(e) CONFORMING AMENDMENTS.—(1) Section 3688 of title 38, United States Code (as amended by subsections (a) through (d)), is further amended—

(A) in subsection (a), by striking out the flush material that follows paragraph (7); and

(B) by striking out subsections (c), (d), and (e).

(2) Section 3532(c) of such title is amended by striking out paragraphs (3) and (4).

SEC. 114. REFRESHER TRAINING FOR SURVIVORS AND DEPENDENTS.

Section 3532 of title 38, United States Code, is amended by adding at the end the following new subsection (f):

"(f)(1) Notwithstanding the prohibition in section 3521(2) of this title (relating to the enrollment of an eligible person in a program of education in which such person is 'already qualified'), an eligible person shall be allowed up to six months of educational assistance (or the equivalent thereof in part-

time assistance) for the pursuit of refresher training to permit the person to update the person's knowledge and skills.

"(2) An eligible person pursuing refresher training under this subsection shall be paid an educational assistance allowance based upon the rate prescribed in subsection (a) or (c) of this section, whichever is applicable.

"(3) The educational assistance allowance paid to an eligible person under the authority of this subsection shall be charged against the period of entitlement of the person under section 3511 of this title.".

SEC. 115. ELIGIBILITY OF CERTAIN OFFICERS FOR EDUCATIONAL ASSISTANCE.

(a) ACTIVE DUTY.—Section 3011(c)(2) of title 38, United States Code, is amended by inserting "but before October 1, 1992," after December 31, 1976,".

(b) SELECTED RESERVE.—Section 3012(d)(2) of such title is amended by inserting "but before October 1, 1992," after December 31, 1976,".

SEC. 116. TECHNICAL AMENDMENTS.

(a) TITLE 10.—Chapter 106 of title 10, United States Code, is amended—

(1) in section 2131(c)(2), by striking out "section 1795" and inserting in lieu thereof "section 3695";

(2) in section 2131(c)(3)(A)(ii), by striking out "section 1795" and inserting in lieu thereof "section 3695";

(3) in section 2131(c)(3)(C), by striking out "section 1795" and inserting in lieu thereof "section 3695";

(4) in section 2133(b)(2), by striking out "section 1431(f)" and inserting in lieu thereof "section 3031(f)";

(5) in section 2133(b)(3), by striking out "section 1431(d)" and inserting in lieu thereof "section 3031(d)"; and

(6) in section 2136(b) (as amended by section 112(c)(2))—

(A) by striking out "sections 1670," and all that follows through "and 1685" and inserting in lieu thereof "sections 3470, 3471, 3474, 3476, 3682(g), 3683, and 3685";

(B) by striking out "1780(c),"; and

(C) by striking out "1786(a), 1787, and 1792)" and inserting in lieu thereof "3686(a), 3687, and 3692)".

(b) TITLE 38.—Section 3679A of title 38, United States Code (as redesignated and amended by section 112(a)) is further amended in subsection (b) by striking out "The Secretary" and inserting in lieu thereof "Except as provided in this title or chapter 106 of title 10, the Secretary".

TITLE II—VOCATIONAL REHABILITATION AND PENSION PROGRAMS

SEC. 201. PERMANENT PROGRAMS OF VOCATIONAL REHABILITATION FOR CERTAIN VETERANS.

(a) PERMANENT PROGRAM.—(1) Subsection (a)(1) of section 1163 of title 38, United States Code, is amended by striking out "during the program period" and inserting in lieu thereof "after January 31, 1985,".

(2) Subsection (a)(2) of such section is amended to read as follows:

"(2) For the purposes of this section, the term 'qualified veteran' means a veteran who has a service-connected disability, or service-connected disabilities, not rated as total but who has been awarded a rating of total disability by reason of inability to secure or follow a substantially gainful occupation as a result of such disability or disabilities.".

(b) COUNSELING SERVICES.—Subsection (b) of such section is amended by striking out "During the program period, the Secretary" and inserting in lieu thereof "The Secretary".

(c) NOTICE.—Subsection (c)(1) of such section is amended by striking out "during the program period" and all that follows through "(a)(2)(A)" and inserting in lieu thereof "after January 31, 1985, of a rating of total disability described in subsection (a)(2)".

(d) CONFORMING AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§ 1163. Trial work periods and vocational rehabilitation for certain veterans with total disability ratings".

(2) The table of sections at the beginning of chapter 11 of title 38, United States Code, is amended by striking out the item relating to section 1163 and inserting in lieu thereof the following:

"1163. Trial work periods and vocational rehabilitation for certain veterans with total disability ratings.".

SEC. 202. PERMANENT PROGRAM OF VOCATIONAL TRAINING FOR CERTAIN PENSION RECIPIENTS.

(a) PERMANENT PROGRAM.—Subsection (a) of section 1524 of title 38, United States Code, is amended to read as follows:

"(a)(1) A veteran who has been awarded pension under this chapter may submit to the Secretary an application for vocational training under this section.

"(2) Subject to paragraph (4) of this subsection, upon the submittal of an application by a veteran under paragraph (1) of this subsection, the Secretary shall—

"(A) make a preliminary finding (on the basis of information contained in the application or otherwise in the possession of the Secretary) whether the veteran has good potential for achieving employment after pursuing a vocational training program under this section; and

"(B) if the Secretary makes a preliminary finding that the veteran has such potential, provide the veteran with an evaluation to determine whether the veteran's achievement of a vocational goal is reasonably feasible.

"(3) An evaluation of a veteran under subparagraph (B) of paragraph (2) shall include a personal interview of the veteran carried out by a Department employee who is trained in vocational counseling (as determined by the Secretary) unless the Secretary determines that such an evaluation is not feasible or is not necessary to make the determination referred to in that subparagraph.".

(b) CONFORMING AMENDMENTS.—(1) Subsection (b)(4) of such section is amended by striking out "the later of (A)" and all that follows through the period at the end of the first sentence and by inserting in lieu thereof "the end of a reasonable period of time (as determined by the Secretary) following the evaluation of the veteran under subsection (a)(2)(B) of this section".

(2)(A) The heading of such section is amended to read as follows:

"§ 1524. Vocational training for certain pension recipients".

(B) The table of sections at the beginning of chapter 15 of title 38, United States Code, is amended by striking out the item relating to section 1524 and inserting in lieu thereof the following:

"1524. Vocational training for certain pension recipients.".

SEC. 203. PROTECTION OF HEALTH-CARE ELIGIBILITY.

(a) PERMANENT PROTECTION.—Section 1525 of title 38, United States Code, is amended—

(1) in subsection (a), by striking out "during the program period" and inserting in lieu thereof "after January 31, 1985,"; and

(2) by striking out subsection (b) and inserting in lieu thereof the following:

"(b) For the purposes of this section, the term 'terminated by reason of income from work or training' means terminated as a result of the veteran's receipt of earnings from activity performed for renumeration or with gain, but only if the veteran's annual income from sources other than such earnings would, taken alone, not result in the termination of the veteran's pension.".

(b) CONFORMING AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§ 1525. Protection of health-care eligibility".

(2) The table of sections at the beginning of chapter 15 of title 38, United States Code, is amended by striking out the item relating to section 1525 and inserting in lieu thereof the following:

"1525. Protection of health-care eligibility.".

SEC. 204. INCREASE IN SUBSISTENCE ALLOWANCE FOR VETERANS RECEIVING VOCATIONAL OR REHABILITATIVE TRAINING.

Section 3108(b) of title 38, United States Code, is amended by striking out the table at the end and inserting in lieu thereof the following new table:

"Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional training:				
Full-time	$366	$454	$535	$39
Three-quarter-time	275	341	400	30
Half-time	184	228	268	20
Farm cooperative, apprentice, or other on-job training:				
Full-time	320	387	446	29
Extended evaluation:				
Full-time	366	454	535	39
Independent living training:				
Full-time	366	454	535	39
Three-quarter-time	275	341	400	30
Half-time	184	228	268	20".

SEC. 205. VOCATIONAL REHABILITATION FOR CERTAIN DISABLED VETERANS WITH SERIOUS EMPLOYMENT HANDICAPS.

Section 3102 of title 38, United States Code, is amended to read as follows:

"A person shall be entitled to a rehabilitation program under the terms and conditions of this chapter if—

"(1) the person is—

"(A)(i) a veteran who has a service-connected disability which is, or but for the receipt of retired pay would be, compensable at a rate of 20 percent or more under chapter 11 of this title and which was incurred or aggravated in service on or after September 16, 1940; or

"(ii) hospitalized or receiving outpatient medical care, services, or treatment for a service-connected disability pending discharge from the active military, naval, or air service, and the Secretary determines that—

"(I) the hospital (or other medical facility) providing the hospitalization, care, services, or treatment is doing so under contract or

agreement with the Secretary concerned, or is under the jurisdiction of the Secretary of Veterans Affairs or the Secretary concerned; and

"(II) the person is suffering from a disability which will likely be compensable at a rate of 20 percent or more under chapter 11 of this title; and

"(B) determined by the Secretary to be in need of rehabilitation because of an employment handicap; or

"(2) the person is a veteran who—

"(A) has a service-connected disability which is, or but for the receipt of retired pay would be, compensable at a rate of 10 percent under chapter 11 of this title and which was incurred or aggravated in service on or after September 16, 1940; and

"(B) has a serious employment handicap.".

SEC. 206. TREATMENT OF CERTAIN APPLICATIONS FOR PENSION AND DISABILITY AND INDEMNITY COMPENSATION.

Section 5306(b) of title 38, United States Code, is amended to read as follows:

"(b)(1) Renouncement of rights shall not preclude any person from filing a new application for pension, compensation, or dependency and indemnity compensation at a later date.

"(2) Except as provided in paragraph (3), a new application for pension, compensation, or dependency and indemnity compensation under this subsection shall be treated as an original application, and no payments shall be made for any period before the date such application is filed.

"(3) An application for dependency and indemnity compensation to parents payable under section 1315 of this title or for pension payable under chapter 15 of this title that is filed during the one-year period beginning on the date that a renouncement thereto was filed by the person pursuant to subsection (a) shall not be considered an original application, and payment of such benefits shall be made as if the renouncement had not occurred.".

SEC. 207. STYLISTIC AMENDMENT.

(a) IN GENERAL.—Section 5110(h) of title 38, United States Code, is amended by striking out "calendar".

(b) RULE OF CONSTRUCTION.—The purpose of subsection (a) is to make a nonsubstantive stylistic amendment that conforms the terminology used in section 5110(h) of title 38, United States Code, to that used in such title.

TITLE III—JOB COUNSELING, TRAINING, AND PLACEMENT SERVICES FOR VETERANS

SEC. 301. IMPROVEMENT OF DISABLED VETERANS' OUTREACH PROGRAM.

Section 4103A(a)(1) of title 38, United States Code, is amended in the first sentence by striking out "specialist for each 5,300 veterans" and all that follows through the end of the sentence and inserting in lieu thereof "specialist for each 6,900 veterans residing in such State who either veterans of the Vietnam era, veterans who first entered on active duty as a member of the Armed Forces after May 7, 1975, or disabled veterans.".

SEC. 302. REPEAL OF DELIMITING DATE RELATING TO TREATMENT OF VETERANS OF THE VIETNAM ERA FOR EMPLOYMENT AND TRAINING PURPOSES.

Section 4211(2) of title 38, United States Code, is amended—

(1) in subparagraph (A), by striking out "(A) Subject to subparagraph (B) of this paragraph, the term" and inserting in lieu thereof "The term"; and

(2) by striking out subparagraph (B).

By Mr. DECONCINI (for himself, Mr. D'AMATO, Mr. THURMOND, Mr. GRAHAM, Mr. DIXON, Mr. HOLLINGS, Mr. KOHL, Mr. JOHNSTON, Mr. CHAFEE, Ms. MIKULSKI, Mr. JEFFORDS, Mr. SHELBY, Mr. SANFORD, Mr. RIEGLE, Mr. WARNER, Mr. GRASSLEY, and Mr. COATS):

S.J. Res. 295. Joint resolution designating September 10, 1992, as "National D.A.R.E. Day"; to the Committee on the Judiciary.

NATIONAL D.A.R.E. DAY

• Mr. DECONCINI. Mr. President, for the 5th year in a row I am pleased to introduce, along with Senators D'AMATO, THURMOND, GRAHAM, DIXON, HOLLINGS, KOHL, JOHNSTON, CHAFEE, MIKULSKI, JEFFORDS, SHELBY, SANFORD, RIEGLE, WARNER, GRASSLEY, and COATS, a joint resolution designating September 10, 1992, as "National D.A.R.E. Day." D.A.R.E., an acronym for drug abuse resistance education, is an educational program designed to teach students the skills necessary to resist pressure to experiment with drugs and alcohol. This joint resolution acknowledges the accomplishments of this effective drug education program.

D.A.R.E. was originally developed as a cooperative effort between the Los Angeles Police Department and the Los Angeles Unified School District. Initially, the program began with 10 Los Angeles police officers teaching at 50 local elementary schools. Today the program is taught by more than 12,000 officers in over 200,000 classrooms reaching all 50 States, Australia, New Zealand, American Samoa, Puerto Rico, Costa Rica, Mexico, and Department of Defense Dependent Schools worldwide.

Originally taught to 5th- and 6th-grade children, D.A.R.E. has been expanded to include all grades K–12 as a result of its success. The program effectively targets children who are young enough not to have received maximum exposure to illegal drugs, yet are old enough to fully comprehend the dangers of drug use. In addition, the program provides parents with the skills necessary to reinforce the decision of their children to lead drug-free lives.

In my home State of Arizona, we now have 84 separate agencies that are involved in D.A.R.E. and nearly 240 trained officers. During this school year alone, these officers will reach over 40,000 students in 500 Arizona public schools. Still, we have a long way to go. According to evaluations obtained by the State D.A.R.E. office, only 38 percent of the 5th- and 6th-grade students in Arizona are receiving the D.A.R.E. Program.

When the University of Michigan's 17th annual national survey of high school seniors was recently released, the report showed a continuing decline in drug and alcohol use from 1990 to 1991. The rate of any illicit drug use within the past year declined from 33 percent to 29 percent—approximately half the 1980 rate. The Michigan survey, funded by the National Institute on Drug Abuse, reported that alcohol use was down from 57 percent in 1990 to 54 percent in 1991, a 25-percent drop since 1980. Cocaine use fell from 1.9 percent in 1990 to 1.4 percent in 1991, a drop of 73 percent since 1980.

I think we can reasonably conclude from these encouraging results that illegal drug use by our youth is slowly declining. However, to keep the momentum going in the right direction, an effective, long-term commitment to the education of our young people on the dangers of illegal drugs is essential. We must fight harder—implementing greater preventive measures and creating greater community awareness. President Bush has requested $12.7 billion in his fiscal year 1993 budget for antidrug programs. Although the President's budget increases this year's overall funding level by 6 percent, spending for drug-free schools State grants is frozen at last year's level. This is the primary Federal account for funding drug education in the Nation's classrooms. The President's budget request is simply inadequate. It falls far short of what is needed in this country to provide a drug education curriculum for every child, in every classroom, in every school in America. Programs like D.A.R.E. have proven effective and must be expanded.

Independent studies show that the D.A.R.E. Program has had a significant impact on the rates of drug and alcohol use among students who have studied D.A.R.E. versus those who have not. Moreover, educators are finding that the D.A.R.E. Program has contributed to improved study habits and grades, decreased vandalism and gang activity, and a better rapport between children and police officers.

Mr. President, the D.A.R.E. Program is a program that works. It is producing unprecedented results. Hopefully, we will acknowledge the merit of this program for the 15th straight year by designating September 10, 1992, as "National D.A.R.E. Day." I urge my colleagues to show their support by cosponsoring this resolution. I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 295

Whereas D.A.R.E. (Drug Abuse Resistance Education) is the largest and most effective drug-use prevention education program in the United States, and is now taught to 20 million youths in grades K–12;

Whereas D.A.R.E. is taught in more than 200,000 classrooms reaching all 50 States, Australia, New Zealand, American Samoa, Puerto Rico, Costa Rica, Mexico and Department of Defense Dependent Schools worldwide;

Whereas the D.A.R.E. core curriculum, developed by the Los Angeles Police Department and the Los Angeles Unified School District, helps prevent substance abuse among school-age children by providing students with accurate information about alcohol and drugs, by teaching students decision-making skills and the consequences of their behavior and by building students' self-esteem while teaching them how to resist peer pressure;

Whereas D.A.R.E. provides parents with information and guidance to further their children's development and to reinforce their decisions to lead drug-free lives;

Whereas the D.A.R.E. Program is taught by veteran police officers who come straight from the streets with years of direct experience with ruined lives caused by substance abuse, giving them unmatched credibility;

Whereas each police officer who teaches the D.A.R.E. Program completes 80 hours of specialized training in areas such as child development, classroom management, teaching techniques, and communications skills; and

Whereas D.A.R.E. according to independent research, substantially impacts students' attitudes toward substance use and contributes to improved study habits, higher grades, decreased vandalism and gang activity, and generates greater respect for police officers: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United states of America in Congress assembled, That September 10, 1992 is designated as "National D.A.R.E. Day", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate ceremonies and activities.●

By Mr. ADAMS (for himself, Mr. BINGAMAN, Mr. COCHRAN, Mr. COHEN, Mr. CRANSTON, Mr. DECONCINI, Mr. DODD, Mr. GARN, Mr. GRASSLEY, Mr. JOHNSTON, and Mr. REID):

S.J. Res. 296. Joint resolution to designate the week of May 17, 1992, through May 23, 1992, as "National Senior Nutrition Week"; to the Committee on the Judiciary.

NATIONAL SENIOR NUTRITION WEEK

● Mr. ADAMS. Mr. President, I rise today to honor a group of dedicated individuals who perform an essential and life-sustaining service for older Americans. I am speaking of the thousands of volunteers and professionals who serve nutritious meals to our Nation's seniors in both congregate and home settings. Their daily commitment ensures the continued well-being and independence of many senior individuals, both through nutritional sustenance and social contact.

I proudly commend their dedication by introducing legislation that would designate the week of May 17, 1992, through May 23, 1992, as "National Senior Nutrition Week."

Nutrition services comprise a vital part of the Older Americans Act [OAA]. Meal programs have been included in the Act since they were first incorporated as a demonstration project in 1968. Due to the success of this program, nutrition services were fully authorized in the Act in 1972. Since then, the program has consistently been the best known and most widely supported part of the OAA.

In 1991, over 145 million meals were served in congregate settings to approximately 2.7 million seniors and over 115 million home-delivered meals were served to approximately 728,000 older Americans.

These meals are vital. Sound nutrition is essential to good health. And, sadly, malnutrition among the elderly is a serious problem. I recently held a hearing on this topic that revealed shocking numbers of malnourished seniors. Witnesses testified that this problem has social as well as financial roots. Seniors who live alone often lack the ability or motivation to prepare meals for themselves. This is where services such as congregate and home delivered meals play such an essential role. They facilitate the social interaction that many seniors need as well as provide meals to those who are physically or financially unable to prepare nutritious meals for themselves.

As chairman of the Committee on Labor and Human Resources Subcommittee on Aging, I intend for the Subcommittee to keep the nutritional concerns of our older citizens at the forefront of our national agenda.

I ask my colleagues to join me in recognizing the contributions of those who serve meals to the Nation's elderly by supporting this legislation to proclaim the week of May 17, 1992, as "National Senior Nutrition Week."●

ADDITIONAL COSPONSORS

S. 391

At the request of Mr. REID, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of S. 391, a bill to amend the Toxic Substances Control Act to reduce the levels of lead in the environment, and for other purposes.

S. 847

At the request of Mr. BURNS, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 847, a bill to limit spending increases for fiscal years 1992 through 1995 to 4 percent.

S. 1130

At the request of Mr. KASTEN, the name of the Senator from Utah [Mr. GARN] was added as a cosponsor of S. 1130, a bill to amend the Internal Revenue Code of 1986 to provide for rollover of gain from sale of farm assets into an individual retirement account.

S. 1213

At the request of Mr. GRAHAM, the name of the Senator from Pennsylvania [Mr. WOFFORD] was added as a cosponsor of S. 1213, a bill to amend title IX of the Public Health Service Act to require the Director of the Centers for Disease Control to acquire and evaluate data concerning preventative health and health promotion, and for other purposes.

S. 1731

At the request of Mr. MCCONNELL, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 1731, a bill to establish the policy of the United States with respect to Hong Kong after July 1, 1997, and for other purposes.

S. 1862

At the request of Mr. GRAHAM, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 1862, a bill to amend the National Wildlife Refuge System Administration Act of 1966 to improve the management of the National Wildlife Refuge System, and for other purposes.

S. 2064

At the request of Mr. HATFIELD, the names of the Senator from Kentucky [Mr. FORD] and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of S. 2064, a bill to impose a 1-year moratorium on the performance of nuclear weapons tests by the United States unless the Soviet Union conducts a nuclear weapons test during that period.

S. 2113

At the request of Mr. SMITH, the names of the Senator from Wisconsin [Mr. KASTEN], the Senator from New Mexico [Mr. DOMENICI], the Senator from Minnesota [Mr. DURENBERGER], and the Senator from South Dakota [Mr. DASCHLE] were added as cosponsors of S. 2113, a bill to restore the Second Amendment rights of all Americans.

S. 2484

At the request of Mr. KASTEN, the names of the Senator from Minnesota [Mr. DURENBERGER], the Senator from South Carolina [Mr. THURMOND], the Senator from Virginia [Mr. WARNER], the Senator from New York [Mr. D'AMATO], the Senator from Kansas [Mr. DOLE], and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of S. 2484, a bill to establish research, development, and dissemination programs to assist State and local agencies in preventing crime against the elderly, and for other purposes.

S. 2489

At the request of Mr. DOMENICI, the name of the Senator from Utah [Mr. GARN] was added as a cosponsor of S. 2489, a bill to amend the Stevenson-Wydler Technology Innovation Act of 1980 to establish the National Quality Commitment Award with the objective of encouraging American universities to teach total quality management, to emphasize the importance of process manufacturing, and for other purposes.

S. 2624

At the request of Mr. GLENN, the names of the Senator from Connecticut [Mr. LIEBERMAN], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 2624, a bill to authorize

appropriations for the Interagency Council on the Homeless, the Federal Emergency Management Food and Shelter Program, and for other purposes.

SENATE JOINT RESOLUTION 182

At the request of Mr. KASTEN, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of Senate Joint Resolution 182, a joint resolution proposing a balanced budget amendment to the Constitution of the United States.

SENATE JOINT RESOLUTION 252

At the request of Mr. DIXON, the names of the Senator from Mississippi [Mr. LOTT], and the Senator from Idaho [Mr. CRAIG] were added as cosponsors of Senate Joint Resolution 252, a joint resolution designating the week of April 19–25, 1992, as "National Credit Education Week".

SENATE JOINT RESOLUTION 258

At the request of Mr. RIEGLE, the names of the Senator from Indiana [Mr. COATS], the Senator from Alabama [Mr. HEFLIN], and the Senator from South Dakota [Mr. DASCHLE] were added as cosponsors of Senate Joint Resolution 258, a joint resolution designating the week commencing May 3, 1992, as "National Correctional Officers Week".

SENATE JOINT RESOLUTION 263

At the request of Mr. SARBANES, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of Senate Joint Resolution 263, a joint resolution to designate May 4, 1992, through May 10, 1992, as "Public Service Recognition Week".

SENATE JOINT RESOLUTION 266

At the request of Mr. LEVIN, his name was added as a cosponsor of Senate Joint Resolution 266, a joint resolution designating the week of April 26–May 2, 1992, as "National Crime Victims' Rights Week."

At the request of Mr. THURMOND, the names of the Senator from Nevada [Mr. BRYAN], the Senator from Vermont [Mr. LEAHY], the Senator from Pennsylvania [Mr. WOFFORD], the Senator from Wisconsin [Mr. KOHL], the Senator from Florida [Mr. GRAHAM], the Senator from Georgia [Mr. NUNN], the Senator from Oregon [Mr. HATFIELD], the Senator from Texas [Mr. BENTSEN], the Senator from Michigan [Mr. RIEGLE], the Senator from Arizona [Mr. MCCAIN], the Senator from Arkansas [Mr. PRYOR], the Senator from Arkansas [Mr. BUMPERS], the Senator from Vermont [Mr. JEFFORDS], and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of Senate Joint Resolution 266, supra.

SENATE JOINT RESOLUTION 268

At the request of Mr. GARN, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Montana [Mr. BURNS], the Senator from Maine [Mr. COHEN], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Connecticut [Mr. DODD], the Senator from Georgia [Mr. FOWLER], the Senator from Tennessee [Mr. GORE], the Senator from Florida [Mr. GRAHAM], the Senator from Vermont [Mr. JEFFORDS], the Senator from Virginia [Mr. ROBB], and the Senator from Pennsylvania [Mr. WOFFORD] were added as cosponsors of Senate Joint Resolution 268, a joint resolution designating May 1992, as "Neurofibromatosis Awareness Month."

SENATE JOINT RESOLUTION 273

At the request of Mr. SEYMOUR, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of Senate Joint Resolution 273, a joint resolution to designate the week commencing June 21, 1992, as "National Sheriffs' Week."

SENATE JOINT RESOLUTION 277

At the request of Mr. D'AMATO, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of Senate Joint Resolution 277, a joint resolution to designate May 13, 1992, as "Irish Brigade Day."

SENATE JOINT RESOLUTION 292

At the request of Mr. SMITH, the names of the Senator from Colorado [Mr. BROWN], the Senator from Nevada [Mr. BRYAN], the Senator from New Mexico [Mr. DOMENICI], and the Senator from Kentucky [Mr. FORD] were added as cosponsors of Senate Joint Resolution 292, a joint resolution to provide for the issuance of a commemorative postage stamp in honor of American prisoners of war and Americans missing in action.

SENATE CONCURRENT RESOLUTION 62

At the request of Mr. SEYMOUR, the names of the Senator from Nevada [Mr. REID], and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of Senate Concurrent Resolution 62, a concurrent resolution expressing the sense of the Congress that the President should award the Presidential Medal of Freedom to Martha Raye.

SENATE RESOLUTION 279

At the request of Mr. DASCHLE, the name of the Senator from Nebraska [Mr. KERREY] was added as a cosponsor of Senate Resolution 279, a resolution to prohibit the provision to members and employees of the Senate, at Government expense, of unnecessary or inappropriate services and other benefits.

SENATE RESOLUTION 289

At the request of Mr. D'AMATO, the names of the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Illinois [Mr. SIMON], the Senator from Alaska [Mr. STEVENS], and the Senator from Minnesota [Mr. WELLSTONE] were added as cosponsors of Senate Resolution 289, a resolution honoring the "Righteous Gentiles" of the Holocaust during WW II.

SENATE RESOLUTION 290

At the request of Mr. DOLE, the names of the Senator from Illinois [Mr. DIXON], and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of Senate Resolution 290, a resolution regarding the aggression against Bosnia-Hercegovina and conditioning U.S. recognition of Serbia.

AMENDMENTS SUBMITTED

ADMINISTRATION OF VETERANS LAWS

CRANSTON AMENDMENT NO. 1788

Mr. FORD (for Mr. CRANSTON) proposed an amendment to the bill (S. 2378) to amend title 38, United States Code, to extend certain authorities relating to the administration of veterans laws, and for other purposes; as follows:

On page 5, below line 2, add the following new section:

SEC. 5. ENHANCED LOAN ASSET SALE AUTHORITY.

(a) AUTHORITY.—Section 3720 of title 38, United States Code, is amended by adding at the end the following new subsection:

"(h)(1) The Secretary may, upon such terms and conditions as the Secretary considers appropriate, issue or approve the issuance of, and guarantee the timely payment of principal and interest on, certificates or other securities evidencing an interest in a pool of mortgage loans made in connection with the sale of properties acquired under this chapter.

"(2) The Secretary may not under this subsection guarantee the payment of principal and interest on certificates or other securities issued or approved after December 31, 1992.".

(b) TREATMENT OF PROCEEDS.—Section 3733(e) of such title is amended by inserting ", and the amount received from the sale of securities under section 3720(h) of this title," after "subsection (a)(1) of this section".

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for my colleagues and the public that a hearing has been scheduled before the Committee on Energy and Natural Resources. The purpose of the hearing is to receive testimony on S. 2631, the Used Oil Energy Production Act.

The hearing will take place on May 20, 1992, at 2:30 p.m. in room SD–366 of the Dirksen Senate Office Building, 1st and C Streets NE., Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the printed hearing record should send their comments to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510, Attention: Allen Stayman.

For further information, please contact Allen Stayman of the committee staff at 202–224–7865.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY AND APPROPRIATIONS SUBCOMMITTEE ON FOREIGN AFFAIRS

Mr. LEAHY. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry, and the Committee on Appropriations Subcommittee on Foreign Affairs will hold a hearing on aid to the Soviet Union, Wednesday, May 6, 1992, at 10 a.m., in SD-628.

For further information please contact Janet Breslin of the Agriculture Committee staff at extension 4-5207 or Eric Newsom of the Foreign Operations Subcommittee staff at extension 4-7209.

SUBCOMMITTEE ON CONSERVATION AND FORESTRY

Mr. LEAHY. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry Subcommittee on Conservation and Forestry will hold an oversight hearing on the Forest Service's proposed changes in the administrative appeals process. The hearing will be held on Thursday, May 21, 1992, at 2 p.m. in SR-332. Senator WYCHE FOWLER will preside.

For further information please contact Woody Vaughan at 224-5207.

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON INTELLIGENCE

Mr. FORD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, April 30, 1992 at 2 p.m. to hold a closed hearing on Intelligence Matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PATENTS, COPYRIGHTS AND TRADEMARKS

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on Patents, Copyrights and Trademarks of the Committee on the Judiciary, be authorized to meet during the session of the Senate on Thursday, April 30, 1992 at 2 p.m. to hold a hearing on "Patent Harmonization."

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources, be authorized to meet during the session of the Senate, 2 p.m., April 30, 1992, to receive testimony on S. 21, to provide for the protection of the public lands in the California desert, H.R. 2929, the California Desert Protection Act of 1991, and S. 2393, a bill to designate certain lands in the State of California as wilderness, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, April 30, 1992 at 10:30 a.m. to hold a hearing on the nomination of John P. Walters, to be Deputy Director for Supply Reduction, Office of National Drug Control Policy, and Kay Cole James, to be Associate Director for National Drug Control Policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INVESTIGATIONS

Mr. FORD. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Thursday, April 30, 1992, to hold a hearing on "Efforts to Combat Fraud and Abuse in the Insurance Industry: Part 5."

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON DEFENSE INDUSTRY AND TECHNOLOGY

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on Defense Industry and Technology of the Committee on Armed Services be authorized to meet on Thursday, April 30, 1992, at 2:30 p.m., in open session, to receive testimony on the national security implications of the proposed sale of the aircraft and missile divisions of the LTV Corp.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

UNITED STATES MUST PLAY ROLE IN BRINGING YUGOSLAV VIOLENCE TO END

• Mr. DECONCINI. Mr. President, finally, the European Community, the Conference on Security and Cooperation in Europe [CSCE], and the United Nations are taking steps to stop the bloodshed in Bosnia-Hercegovina. In a three-pronged approach, the CSCE has admitted Bosnia-Hercegovina as a participant, and has questioned Serbia's right to represent Yugoslavia in an assembly of states committed to peace and democracy; the European Community has successfully brought together representatives of the Muslim, Serb, and Croat communities and sees "a light at the end of the tunnel" in discussions on autonomy within a united Bosnia-Hercegovina; and the United Nations will send peacekeeping operations director Robert Goulding to the region and consider sending peacekeeping forces to Bosnia-Hercegovina.

Finally, after 300 deaths and 400,000 refugees in a month of fighting, the United States is prepared to face the issue; 300 deaths after a free and fair referendum showed popular support for independence for Bosnia-Hercegovina, we are prepared to recognize the imminent threat to its existence, and to the lives of its citizens of all ethnic groups.

Let us just hope that it is not too late. I, in my capacity of cochairman of the Helsinki Commission, have been calling for special attention to Bosnia-Hercegovina, including CSCE monitors, since last year, before the conflict had spread from Slovenia and Croatia. Unfortunately, not only were the Community, CSCE, and United Nations uninterested or actively opposed to getting involved in Bosnia-Hercegovina, but Bush administration policies actively discouraged the search for reasonable solutions for all parties.

As happened during the evolution and dissolution of the former Soviet Union, we witnessed a United States response conditioned on nostalgia for the old, simple order in Yugoslavia. The United States was unwilling to confront, until events and the determined peoples of the former Yugoslavia forced us to do so, the possibility that Yugoslavia's constituent republics might be better off apart. How many lives might have been saved by the timely deployment of interposition forces, or even by early recognition of the sovereign republics—a recognition which, bowing to the most groundless fears of one European Community country, we still have not granted to Macedonia? My Commission office has received dozens of phone calls from Americans—some of Croatian descent, some not—asking the same questions. I must admit I share their sense of frustration.

But now the people have taken self-determination into their own hands, and, finally, the Bush administration has recognized the correctness of their struggles—and in this regard I would not want to forget the severe repression of the Albanian population of the Serbian province of Kosovo—and has called into question the legitimacy of the Serbian institutions claiming to represent Yugoslavia abroad. We must not cease the pressure on Serbia and on all parties to live up to international standards regarding democracy, human rights, and territorial integrity; and we must do all we can, including proposing and supporting peacekeeping forces, to promote an end to violence and a lasting solution.•

IN RECOGNITION OF "THE SORGENFREI CREW"

• Mr. GORTON. Mr. President, on July 19, 1944, pilot Kennon Sorgenfrei and his bomber crew were scheduled to fly their next-to-last combat mission of World War II. Today I rise to commend this brave pilot, and his courageous crew, for their efforts during that difficult time, and to honor the occasion of their meeting with the French Maquis—a resistance group which assisted their safe return to the United States.

"The Sorgenfrei Crew," as they were known, had been forced to bail out of their downed plane over German-occupied Vichy France. With the assistance of Le Maquisards—the French resistance—the American troops were lead to safety. By combating the many barriers to language and communication, the two distinguished groups worked together to ensure the crew's survival.

Mr. President, a tribute will take place in late June of this year honoring the fraternal relationship between The Sorgenfrei Crew and the French Maquis. This reunion will take place between French Government representatives and the Maquis, honoring the American crew for their courage, bravery, and heroism.

Mr. President, while I rise today to honor the tremendous valor of Pilot Sorgenfrei and his crew, there is more. Had it not been for the selfless courage of the French Maquis, this reunion would not be possible. This courage transcends people, transcends borders, and transcends nations. It is the rare manifestation of the intangible spirit that makes us one in the pursuit of freedom and justice. Mr. President, it is in recognition of this spirit that I rise to commend Pilot Sorgenfrei and his crew on the occasion of this anniversary.●

HONORING SPACE SHUTTLE PROJECT

● Mr. KASTEN. Mr. President, it has always been a part of the American spirit to reach beyond distant frontiers. I want to bring to the attention of my colleagues today a very interesting way in which some Wisconsin young people are reaching beyond these frontiers.

The Wausau School District in Wausau, WI, is celebrating the 500th anniversary of the discovery of America with a project called International Space Year. This project involves converting a schoolbus into a space shuttle for use as an educational tool.

This space shuttle will visit area elementary schools designated as planets and other celestial destinations. The shuttle will conduct experiments at each school to broaden student awareness of astronomy.

Another aspect of this project—to be implemented this fall—is the conversion of a trailer house into a space science station by the Wausau Area Builders Association.

This creative project is a marvelous way to get Wausau students excited about America's challenge in science and in space. I ask my colleagues to join me in expressing our admiration for the efforts of project coordinator Sharon Ryan and the Wausau School District in making the project a reality.●

THE NEW YORK PHILHARMONIC

● Mr. D'AMATO. Mr. President, I rise today to pay tribute to a truly extraordinary organization, the New York Philharmonic, on the occasion of their sesquicentennial. The New York Philharmonic is the oldest symphony orchestra in the United States and one of the oldest in the world. It has played a leading role in American musical life and development since its founding in 1842. I ask that my colleagues join me in commending the New York Philharmonic on their 150th anniversary and wishing them many more prosperous years.

Since its inception, the orchestra has championed the new music of its time, giving many important works, such as Dvorak's "New World Symphony," their premier performances. This pioneering tradition has continued to the present day with works of major contemporary composers regularly scheduled each session.

In 1957, Dimitri Meitropoulos and Leonard Bernstein served together as principal conductors until, in the course of the season, Bernstein was appointed music director, thus becoming the first American-born and trained conductor to head the Philharmonic. Mr. Bernstein remained music director for 11 years and then was given the lifetime position of laureate conductor, the first in the orchestra's history.

After more than 70 years in Carnegie Hall, the Philharmonic moved in 1962 to Philharmonic Hall at Lincoln Center. In 1973, Philharmonic Hall was renamed Avery Fisher Hall in recognition of a major gift from Avery Fisher, a long-time supporter of the orchestra. A portion of this gift was later used to completely redesign the auditorium to an improved acoustical standard.

Today, the Philharmonic plays some 200 concerts a year, most of them in Avery Fisher Hall, Lincoln Center, during the 35 weeks of its subscription season. On March 7, 1982, the Philharmonic performed its 10,000th concert, a milestone reached by no other orchestra in the world.

Kurt Masur, music director of the Gewandhaus Orchestra of Leipzig, became music director of the New York Philharmonic in September 1991, succeeding Zubin Mehta, the longest tenured Philharmonic music director in this century.

The roster of composers and conductors who have led the Philharmonic include such historic figures as Anton Rubinstein, Tchaikovsky, Dvorak, Weingartner, Mahler, Rachmaninoff, Richard Strauss, Mengelberg, Furtwangler, Toscanini, Stravinsky, Koussevitzky, and Walter. Many great instrumentalists and singers of many generations have performed with the orchestra.

Since making its first recording in 1917, the Philharmonic has recorded more than 800 albums; currently over 200 recordings are available. Beginning in 1950 television further expanded the Philharmonic's audience and through this medium they reach millions of people each year.

In 1965, the Philharmonic launched a series of free public concerts in the parks of New York City. Since then, more than 11 million people have attended these concerts. On July 5, 1986, the Philharmonic's Liberty Weekend Concert in Central Park drew 800,000 listeners, the largest audience for a classical music concern in history.

New York has been blessed with a rich assortment of art, theatre, and music of every variety. The New York Philharmonic provides a great value to New Yorkers, and, indeed, the whole world. Their capacity to stir people's imaginations and affect their souls is greatly appreciated today; as it was in 1842 when a group of leading New York musicians organized for the purpose of advancing instrumental music. Their legacy is profound and is deserving of kudos, accolades, and the heartiest of standing ovations. It is my hope that my colleagues will join me in commending this momentous achievement and in wishing the New York Philharmonic many more prosperous years.●

RECOGNIZING THE AIR FORCE TECHNICAL APPLICATION CENTER

● Mr. WARNER. Mr. President, I rise today on behalf of myself, and Senator DANFORTH to recognize the Air Force Technical Application Center, headquartered at Patrick Air Force Base, FL, on the occasion of its 1992 reunion. For more than 40 years, the men and women of AFTAC and its predecessor organizations have vigilantly provided our Nation's policymakers with reliable, sophisticated and scientific information concerning the proliferation of nuclear arms.

Soon after World War II, it became apparent to military and civilian leaders that other nations would eventually gain the awesome power of nuclear weapons. Recognizing that it was in the best national interest to monitor that growth, Gen. Dwight Eisenhower directed the Army Air Force to develop a program with the ability to "detect atomic explosions anywhere in the world," in 1947.

In 1949, sensors aboard an RB–29 flying between Alaska and Japan detected debris from the first Russian atomic test. Since then, AFTAC has evolved into a unique national resource that monitors compliance with nuclear treaties, supports our Nation's space program, and provides critical public safety information during emergencies involving nuclear materials.

Over the years, AFTAC has made significant contributions to the deterrence of nuclear aggression. At its heart is the U.S. atomic energy detec-

tion system, a worldwide system of sensors capable of detecting nuclear weapons or explosions underground, underwater, in the atmosphere, or in space. To accomplish its mission, AFTAC has a network of 14 manned detachments and more than 70 unmanned equipment locations.

AFTAC has also used its unique capabilities to support other national programs. The U.S. manned space flight program utilizes AFTAC's expertise to provide warning of potential radiation exposure to astronauts. AFTAC tracked debris from the 1986 nuclear reactor accident at Chernobyl, and worked closely with the Environmental Protection Agency, Federal Aviation Administration, and other agencies to document the radiological health hazards overseas and in the United States. Today, AFTAC continues to explore ways to employ its unique technological capabilities in other specialized mission areas.

The men and women of AFTAC throughout the last 40 years have helped protect this Nation—and indeed the world—from nuclear disaster by providing hard, highly reliable scientific information to our Nation's leaders. Among the many other benefits of this program, it has, first and foremost, helped to bring world nuclear powers to the negotiating table, resulting in landmark nuclear arms treaties, and reducing the threat of nuclear war.●

IN TRIBUTE TO GERHARD RIEGNER FOR THE ANNUAL DAYS OF REMEMBRANCE CEREMONY

● Mr. DODD. Mr. President, I rise today to join my colleagues in tribute to Dr. Gerhard Riegner, who will receive the U.S. Holocaust Memorial Museum's Eisenhower Liberation Medal at the annual Days of Remembrance ceremony held today in the U.S. Capitol.

Fifty years ago, as the World Jewish Congress representative in Geneva, Dr. Riegner was the source for a chilling cable that was sent from the British offices of the WJC to headquarters in New York. It is a cable whose reading today awakens long-shrouded images of an unthinkable atrocity.

The cable read, in part:

Have received through foreign office following message from Riegner Geneva STOP Received alarming report that in Fuhrers headquarters plan discussed and under consideration all Jews in countries occupied or controlled Germany number 3½ to 4 million should after deportation and concentration in East at one blow exterminated to resolve once and for all Jewish question in Europe.

What happened during the Holocaust, of course, surpassed the worst predictions of Dr. Riegner himself. The mindless hatred of the Nazi regime, and the unspeakable horrors it perpetuated, left an incorrigible mark on an entire episode of history. The Holocaust and its torturous memories are inextricably woven into the social fabric of an entire generation.

For the last half a decade, Mr. President, Dr. Riegner has helped to ensure that this tragic episode in world history not be repeated. Since the Holocaust, Dr. Riegner has devoted much of his life to strengthening the relationship between the world Jewish community and the several Christian denominations. For this remarkable mission of humanity, we honor Dr. Riegner today.

Dr. Riegner has also taken on another mission of equal importance: to ensure that the Holocaust and its bitter lessons are never forgotten. Such is the noble cause of the institution that honors Dr. Riegner today, the U.S. Holocaust Memorial Museum.

The unceasing efforts of Dr. Riegner have helped Holocaust survivors come to terms with the appalling legacy of the past. And they have ensured that a new generation of citizens experience firsthand the mindless horror of an era, so they may silently vow to themselves: "never again."●

HUTCHINSON SENIOR HIGH SCHOOL

● Mr. DURENBERGER. Mr. President, I rise today in order to commend an outstanding group of students from Hutchinson Senior High School in my home State Minnesota. For the fifth year in a row they have proudly represented the people of Minnesota in the "We the People * * * National Bicentennial Competition." The 1992 competition was held this past weekend in Washington, DC, and I am proud to say that the students from Hutchinson once again came through with another outstanding performance.

As participants in this program, students are judged on their knowledge and understanding of the Constitution and its relationship to both historical and contemporary issues. As a result, high school students across the Nation have developed a better understanding of the American constitutional system and its application to our everyday lives.

However, the continued success which has been displayed by the students from Hutchinson Senior High School has not come without much hard work and sacrifice. Countless hours of study and preparation have resulted in the following students contributing to an increased understanding of our U.S. Constitution: Corrie Blegen, Cory Block, Justin Burgart, Damen Cornell, Ryan Cox, Sara Duesterhoeft, Michael Gilbertson, Kelly Hoversten, Darin Lind, Matt Martin, Paul Moehring, Jeffery Mumm, Andy Nelson, Donnie Prellwitz, Michele Ruskamp, Brian Thul, and Peter Van Overbeke.

Finally, I cannot conclude this statement without words of praise for the students' instructor, Mike Carls. His dedication and encouragement have been a major factor during Hutchinson's 5-year reign as Minnesota State champions in the "We the People Competition."

Mr. President, again I congratulate these students on their marvelous achievement, and I wish them the best of luck in all their future endeavors.●

EARTHQUAKE INSURANCE AND HAZARD REDUCTION LEGISLATION

● Mr. SEYMOUR. Mr. President, California residents again were reminded this past weekend of their vulnerability to the unpredictable movements of the tectonic plates that occasionally buckle beneath the surface of our land.

The 6.9 Richter scale quake and subsequent aftershocks that battered Humboldt County along the northern California coast inflicted damages which are now estimated in excess of $50 million. Even that figure cannot begin to take into account the impacts that will be felt by individuals, families and entire communities where residences and work places were either destroyed or damaged. Now to place this earthquake in perspective, it was almost as powerful as the 7.1 magnitude 1989 Loma Prieta that caused over $5 billion in damage.

But northern California is not the only place in my State experiencing earthquakes. Just last week, the area north of Palm Springs was shaken by a 6.0 magnitude quake that was felt throughout much of Los Angeles.

These events also should serve to remind us of the need to come forth with a plan that will enable Californians and residents of other earthquake-prone States to have the resources and help that is necessary to rebuild and recover from the devastation which nature is capable of inflicting in at least 39 of our 50 States.

Such a plan has indeed been drafted, and it should be considered by this Congress at the earliest possible date. Just before the Easter recess on April 7, I joined with the senior Senator from Hawaii, Senator INOUYE, in introducing S. 2533, a bill which better prepares our Nation to respond to the ever-present risk of earthquakes. Our legislation is very similar to a bill introduced in the House, H.R. 2806; that legislation enjoys the support of more than 50 Members of that body.

S. 2533 creates two programs: an insurance program to make earthquake insurance more available and affordable, and a hazard-reduction program to mitigate losses from future earthquakes.

I cannot overemphasize the importance of making earthquake insurance more readily available at affordable rates to all Californians. Press accounts indicate that fewer than 10 per-

cent of the homeowners and renters in Humboldt County had earthquake insurance. The major reason so few Californians are covered is the high premiums and deductibles. Our bill addresses both of these issues.

The average home owner in California today pays approximately $200 to $300 annually for earthquake insurance, and the high deductibles, usually 10 percent of the house's value, means that an overwhelming burden must be met—up to $20,000 on a $200,000 home—before the owner can recover anything.

Our bill, if enacted, would reduce dramatically both the rates and the deductibles because the insurance coverage would spread the costs and risks over a national base. Obviously those with less risk would pay low premiums, but those located in greater risk areas would have the protection which only the very wealthy can now afford. Computer studies conclude that the national earthquake insurance program envisioned in S. 2533 will lower rates to about $50 to $100 per year and deductibles can drop to as low as 2 to 5 percent.

Mr. President, a Federal role is required to help the States respond fully to catastrophic earthquakes and ensure the rebuilding of entire communities. California recently enacted a limited State earthquake insurance program which could cover up to $15,000 in damages. But this program is under fire for several reasons, primarily because of the difficulties in adequately capitalizing a State-only insurance program. As a result, State officials have recommended repeal of the California State program and extended their support for a Federal program such as S. 2533.

The mitigation program in the legislation also represents a forward looking effort to better prepare for the inevitability of earthquakes. The program works constructively with earthquake-prone States to ensure that cost-effective loss reduction measures are adopted and enforced by local communities. Although California has among the most stringent seismic building standards in the country, more can be done. For example, simple and inexpensive measures such as bolting the foundation of wood frame structures could have saved a number of the older Victorian homes that were severely damaged over the weekend in California's Humboldt County.

We must act to consider and bring about a responsible approach to earthquake protection and insurance. Such an approach now exists in S. 2533, and I urge the Senate leadership to give this legislation the high priority which events have shown it deserves.

Mr. President, the quakes that rocked California's northern coast, just like the ones that shook the bay area during game 3 of the 1989 World Series, inflict great pain and suffering. We all know that at any time, and at almost any place, an earthquake of far greater magnitude will strike—the so-called Big One. The question is not whether such an earthquake will occur, but when. There is nothing we mortals can do to prevent such an event from occurring. We can on the other hand enact a program which will insure our ability as a Nation to survive and recover from such an unpredictable event. Let us get about the business of putting the mechanism in place to deal with such an event.●

ANTI-SEMITISM IN GERMANY

● Mr. SIMON. Mr. President, before I begin, I would like to preface my remarks by calling attention to today's designation as the Day of Remembrance of Victims of the Holocaust. In accordance with the intent of the U.S. Holocaust Memorial Council formed in 1980, April 30 has been set aside since 1984 for this poignant day of recognition and remembrance.

In honor of those who suffered and those who died, we must take this day to assure that they are not forgotten. In their memory, we must strengthen our commitment to liberty and justice everywhere and pledge that such a tragedy will never be allowed again. We simply cannot allow the memories to fade. We must always remember, and in remembering, remain true to our role as protectors of democracy.

For the past few months, I have detailed the status of anti-Semitic sentiment in the states of the former Soviet Union. Today and over the next several weeks, I plan to shift attention to the problems facing Jewish citizens in other countries. I turn first to Germany, where Jewish-German relations have suffered greatly from the strains of a tradition that has evolved from the Holocaust to the emergence of neo-Nazis.

Any examination of anti-Semitism in Germany must necessarily begin with the Holocaust and how the German people have come to terms with its legacy. The American Institute for Contemporary German Studies [AICGS] conducted a symposium in December 15–17, 1991, in which Germans, Israelis and American Jews examined the issue of "German-Jewish Reconciliation? Facing the Past and Looking to the Future." The frank, open dialog clearly outlined the difficulties facing this country.

During the symposium, German author Peter Schneider painted a vivid picture of the paradoxical situation confronting Jews and Germans in the modern world as they confront their past.

> There is no such highly charged issue in Germany, loaded with mines, traps and poison, as the issue of Germans and Jews * * * As long as we Germans try to escape this whole crime of the Holocaust in dealing with Jewish friends or people we know, there is no hope. As long as we limit ourselves to look back to the Holocaust, there is no hope either.

Deputy Secretary of State Lawrence Eagleburger spoke to the threat of not only a power vacuum due to the end of the cold war, but also a "moral vacuum—a vacuum ready to be filled by nationalist and racist sentiments." And just as we strive to ensure that the power vacuum is not filled by groups hostile to the burgeoning democracies, so too must we ensure that the moral vacuum is not left open to domination by those who would subvert the freedoms and liberties of others. As Eagleburger stated:

> Our obligation is not to overcome the Holocaust, it is to live with the Holocaust and to learn from it. Only by embracing the past and accepting responsibility for what went before is there any hope to avoid, at some point, a repetition of history. This is the wisdom of the Holocaust, which a world now convulsed by history needs to remember.

It is my belief that we cannot hold the children, grandchildren and subsequent generations responsible for the actions of their parents and grandparents. What we can do, however, is hold them responsible for maintaining the memory of what happened and for guaranteeing that it will never happen again. This is their legacy. We owe the victims as well as the survivors of the Holocaust that duty. As Tom Mathews of Newsweek explained, there is a distinction between guilt, which is individual, and responsibility, which is collective. In those terms, present-day Germans are responsible for resolving the issues of the Holocaust and their nation's anti-Semitic past, but at the same time they are not guilty of the crimes of their fathers. The Holocaust must remain forever as a reminder of the vile and bitter hatred residing within the breasts of some people, which must be eternally guarded against.

Nevertheless, signs of a dangerous nationalism, embracing antiforeigner and anti-Semitic sentiments, have gained momentum in Germany. As Prof. George Mosse describes, in the 20th century, the governments of the world made concerted efforts to integrate the masses. But, with time, those governments have become nationalistic, political foundations in which the irrational and the emotional predominate.

Agnieszka Holland, Polish director of the recently released film "Europa, Europa," which retells the true story of a Jewish child who escaped the Holocaust by posing as an Aryan and serving with the Nazis, described nationalism as a virus that has "defrosted and resurfaced" after 40 years. Nowhere is that defrosting more evident than in the emergence of neo-Nazis in Germany.

The face of neo-Nazism has changed. Whereas they used to be scattered

numbers of misguided older men, neo-Nazis have now been transformed into growing ranks of politically active young Catholic Church officials in June of last year in which he stated:

We should not close our eyes before the danger that in some places, the old demons—nationalism, racism, and anti-Semitism—are being revived. . . I am outraged by the shameless actions by Neo-Nazis. . . These people have learned nothing from the history of this century.

Others, though, point to Kohl's recent meeting with Austrian President Kurt Waldheim, whose German Army unit was accused of wartime atrocities in the Balkans. As Israel's foreign minister David Levy said:

The Germans should be more sensitive than any other nation, especially the German Chancellor. Only decades have passed. We're still very sensitive, and we expect not only understanding but also that the sanctity of memory should always be before the Germans.

More and more that so-called sanctity of memory is coming under fire by rightwing extremists. Whether it is the desecration of Jewish cemeteries throughout Germany or vandalism at former concentration camps, such as Bergen-Belsen, the rhetoric is turning to hostile action. And, most recently, a German construction firm plans to build a shopping mall on the site of the ancient Ottensen Jewish Cemetery in Hamburg. The cemetery, which is nearly four centuries old, is the final resting place of more than 4,000 Jews. These events highlight the need for more sensitivity on the part of Germans and Germany when dealing with Jews.

Germany cannot wholly be characterized by these extremist elements. Major synagogue restoration projects, construction of national Holocaust memorials, the adoption of resolutions intended to cement relations with the Israeli State and permitted emigration of Soviet Jews are indicators that there is substantial understanding on the part of Germany in clearing a path for better relations between Germans and Jews.

Still, a survey conducted earlier this year in part by the Bielefeld Emnid Institute and released in the German weekly Der Spiegel, caused quite a stir among Germans and Jews alike. Thirty-two percent of those Germans surveyed replied "yes" when asked if Jews are partly to blame for why they are hated and persecuted, while 36 percent said Jews have too much influence in the world. But far from implicating only Germans, the survey also lent insight into the biases of Israeli Jews. One thousand Israelis were asked to rate how they viewed Germans by using a scale with plus five being the most positive image and minus five the most negative. Thirty percent rated Germans the lowest possible.

There are no easy solutions. Conferences such as the one sponsored by the AICGS and surveys such as the one released by Der Speigel suggest that the issue of German-Jewish relations cuts both ways. A concerted effort by both parties is necessary if there is to be hope for reconciliation. It is our responsibility to see that this reconciliation takes place, for only when the rights of everyone are ensured can we be certain that democracy will prevail.●

IN THE WAKE OF THE LOS ANGELES JURY'S VERDICT

● Mr. KOHL. Mr. President, I have received a number of calls from constituents today seeking some reassurance, some words of comfort, in the wake of the jury's verdict in the Rodney King case and the subsequent riots in Los Angeles.

I am not sure I can offer that reassurance. I am not sure there are any words that can bring comfort.

But I am sure that it is time we faced some fundamental truths. First, racism is present in every community in this country; it is woven into the fabric of our society; it is part of our perception of every event in our daily lives.

Second, despite the threat to the very existence of our Nation, we continue to fan the flames of racism. The last Presidential campaign did with its Willie Horton ads. David Duke's run for Governor of Louisiana did it 2 years ago. Last years' debate over the civil rights bill created more racial tension. And this year, the campaigns of both David Duke and Pat Buchanan have made overt and covert appeals to our worst racist tendencies.

Third, while we are shocked by the verdict and horrified by the riots which followed, we ought to be even more appalled by our collective failure to address the underlying problem—the real cause—which gives rise to these events. It was almost 30 years ago that we saw cities burning, and neighbor fighting neighbor. It was almost 30 years since the Kerner Commission told us that we were becoming two societies, separate and unequal; 30 years. Three decades.

And today, as we watch the frustrations boil over again, we stand as silent witnesses and realize that, in truth, we really have not dealt with the problem at all. We only denied its existence until it cannot be ignored. That, Mr. President, is what should be shocking our country at least as much as the verdict and riots. We cannot reverse the jury's decision. We cannot undo the grief that has been created in Los Angeles and throughout the country. But we can correct our failure. Indeed we must. We must act, now, to prevent another 30 years of inaction and another outburst of violence and rage.●

ADMINISTRATION'S ACTIONS TO PROTECT INTELLECTUAL PROPERTY

● Mr. SEYMOUR. Mr. President, I rise today to applaud the U.S. Trade Representative's announcement yesterday listing its annual decisions required under the special 301 procedures of our trade laws. This statute requires the identification and designation of those countries which deny adequate and effective protection for U.S. intellectual property rights, such as copyrights patents, and trademarks.

USTR identified three countries—Taiwan, India, and Thailand—as priority foreign countries, the category reserved for the most serious offenders.

Since special 301 was enacted as a provision of the Trade Act of 1974, only four countries have received this designation and commensurate USTR investigation—India, the People's Republic of China, Taiwan, and Thailand. India, Thailand, and the People's Republic of China were investigated last years. The People's Republic of China was removed from the list earlier this year after negotiators reached agreement shortly before United States retaliatory tariffs were scheduled to take effect.

I am particularly gratified that USTR has designated Taiwan. Earlier this month, several of my California colleagues joined me in urging a special 301 designation and investigation of Taiwan because of its lack of enforcement of widespread illegal infringement of video game software. This designation is clearly necessary because, while the USTR has noted significant improvements in pending and proposed intellectual property law legislation, Taiwan has made little concrete progress toward effective enforcement.

Mr. President, intellectual property rights violations are particularly devastating to California business. As a center for IPR-sensitive industries, my State is home to more than 50 percent of U.S. video game software development companies. Moreover, many characters in video games are licensed from major California movie and television studios. Three of them, Walt Disney, Universal Studios, and Lucasfilm, joined Nintendo of America and numerous other licensees and developers of video games in requesting the priority country designation for Taiwan.

The administration estimates the piracy of American patents and copyrights, and the counterfeiting of American trademarks costs our economy $60 billion annually. Since these illegal activities take place primarily in foreign countries, significant progress in reducing this problem would yield tremendous benefits for our economy and our international trade balance.

Mr. President, a designation as priority country does not end the process. Rather, it is a beginning. The USTR

now will make a decision within 30 days whether to initiate an investigation into each country's acts, policies, and practices that underlie the designation. Following such an investigation, the USTR can take trade action under section 301 if violations persist.

Certainly it is all of our hope the special 301 designation and potential investigations will be sufficient warning to bring Taiwan and the other countries to act to protect intellectual property rights. However, I firmly believe the USTR must take strong action if these problems persist and if we are to show the world that we are serious about protecting United States intellectual property.

In closing, Mr. President, I would like to note in particular the strong leadership of U.S. Trade Ambassador Carla Hills. Ambassador Hills has continued to focus on this critical issue, most recently in her successful conclusion of negotiations with the People's Republic of China, and she has made clear to our trading partners our commitment in this area.

Again, Mr. President, I applaud the administration's announcement, and I look forward to working with USTR to ensure greater respect for U.S. intellectual property rights.●

FINANCIAL DISCLOSURE REPORTS

Financial disclosure reports required by the Ethics in Government Act of 1978, as amended and Senate rule 34 must be filed no later than close of business on Friday, May 15, 1992. The reports must be filed with the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510. The Public Records Office will be open from 8 a.m. until 6 p.m. to accept these filings; and will provide automatic written receipts for Senators' reports. Staff members may obtain written receipts upon request. Any written request for an extension should be directed to the Select Committee on Ethics, 220 Hart Building, Washington, DC 20510.

All Senators' reports will be made available simultaneously on Friday, June 12. Advance requests for copies of full sets of 100 Senators' reports are now being accepted by the Public Records Office. Any questions regarding the availability of reports or their purchase should be directed to that office (224–0322). Questions regarding interpretation of the Ethics in Government Act of 1978 should be directed to the Select Committee on Ethics (224–2981).

ORDERS FOR FRIDAY, MAY 1 AND TUESDAY, MAY 5, 1992

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 11 a.m. on Friday, May 1; that when the Senate meets on Friday, it meet in pro forma session only; that at the close of the pro forma session, the Senate stand in recess until 9:30 a.m. on Tuesday, May 5; that on Tuesday May 5, following the prayer, the Journal of proceedings be deemed approved to date; that following the time for the two leaders, there be a period for morning business not to extend beyond 10 a.m., with Senators permitted to speak therein for up to 5 minutes each, with Senators ROTH and DURENBERGER recognized to speak for up to 10 minutes each; and that on Tuesday, May 5, the Senate stand in recess from 12:30 p.m. until 2:15 p.m. in order to accommodate the regular party conference luncheons.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MITCHELL. Mr. President, on Tuesday, May 5, at 10 a.m., it is my intention that the Senate will begin consideration of the rescission bill, S. 2403, reported earlier today by the Appropriations Committee. Rollcall votes may occur at any time during the day on Tuesday.

RECESS UNTIL 11 A.M. TOMORROW

Mr. MITCHELL. Mr. President, if there is no further business today, I now ask unanimous consent that the Senate stand in recess, as previously ordered.

There being no objection, the Senate, at 6:45 p.m., recessed until 11 a.m., Friday, May 1, 1992.

NOMINATIONS

Executive nominations received by the Senate April 30, 1992:

THE JUDICIARY

RONALD B. LEIGHTON, OF WASHINGTON, TO BE U.S. DISTRICT JUDGE FOR THE WESTERN DISTRICT OF WASHINGTON, VICE JACK E. TANNER, RETIRED.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

LT. GEN. THOMAS J. MCINERNEY, [redacted] U.S. AIR FORCE.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. JOSEPH W. RALSTON, [redacted] U.S. AIR FORCE.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be general

LT. GEN. JOHN M. SHALIKASHVILI, [redacted] U.S. ARMY.

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER TO BE PLACED ON THE RETIRED LIST UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. ROBERT J. WINGLASS, [redacted] USMC.

IN THE NAVY

THE FOLLOWING NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be vice admiral

VICE ADM. RICHARD M. DUNLEAVY, [redacted] U.S. NAVY.

THE FOLLOWING NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF VICE ADMIRAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

VICE ADM. WILLIAM A. OWENS, [redacted] U.S. NAVY.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. (SELECTEE) THOMAS J. LOPEZ, [redacted] U.S. NAVY.